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Steel For Our Future

With the formation of a new $170 millions company backed by six major U. S. steel firms to join with his companies in Labrador-Quebec iron ore development, Jules R. Timmins, 59, president, Hollinger North Shore Exploration Co. this week saw his dream of a Canadian iron ore empire to replace Minnesota's Mesabi Range as the continent's biggest iron producer take a new, long step toward early realization (story, page 29).

THE NATION'S BUSINESS

Real Chance Now For Oil, Gas Swap

The nation has been poorly served by the filibuster over gas pipelines. Over 15 hours of House of Commons time has been consumed in chitter-chatter. What's really happening is that Parliament is being used in a squeezeplay by one set of business interests against two other sets.

Briefly, the situation is this: At the end of the last session Westcoast Transmission Co. Ltd. got a charter permitting it to appeal to the Board of Transport Commissioners for permission to build a gas pipeline from the Alberta fields to Vancouver and the Seattle area.

Introduced at this session were two similar private bills. Two other companies, Prairie Transmission Lines Ltd. and the Alberta Natural Gas Co. also wanted a charter giving them the right to appeal for permission to do the job.

The filibuster was aimed at preventing the grant of the two new charters, so that the only company able to bid for the privilege of building and operating the gasline would be Westcoast Transmission.

That is very poor business for the country. With the province of Alberta, first, and then the Board of Transport Commissioners, lies the final responsibility for judging what group is most able technically and financially to handle such a massive undertaking. Neither should be confronted by only one bid.

The filibuster members have talked much about the route the line is to follow. Will it be all Canadian, or will it loop over the border? That is a problem, the answer to which can only be determined by a serious study in engineering and economics—at neither of which the House of Commons has demonstrated capacity in the past. The emphasis put on route by the filibusterers is quite obviously a red herring.

As Premier Manning of Alberta has very properly said, "no bona fide company should be refused incorporation, in that refusal would deprive the province of its right to deal with any or all legitimate companies interested in exporting gas and would restrict such dealings to those particular companies favored by Parliament for incorporation."

Trade Minister Howe stated the case well when he said: "Incorporation should not be refused on trivial grounds . . . . If a responsible group of men . . . properly financed and having the proper background of experience apply to this parliament for incorporation, they are entitled to incorporate."

This is supposed to be a free country. Hitherto charters for business projects have been granted freely. For some in the House of Commons to block the applications and so deliver the project—signed and sealed—to one group is miserable business.

The Commons might better spend its time working for an agreement with the United States providing for exchange of both oil and gas between our two countries.

For both countries to benefit most from these vital resources, there must be provision for such an exchange. Under it our western oil would, when economic, get into its natural export market in the midwestern states and oil coming north in the pipelines at Sarnia and Montreal would come into its natural market.

The U. S. Pacific northwest indeed wants to buy Alberta's natural gas and we want to sell it. Now is the time to settle the broader problem of an exchange of both oil and gas.

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No Thank You

For a change some old-fashioned common sense was heard at the annual conference of the Food and Agriculture Organization at Washington last week.

Politely but firmly spokesmen for both Canada and the United States told the gathering that they didn't think much of FAO's principal brain child, an international commodity clearinghouse.

Both the taxpayer and the practical farmer will hope that that potent disapproval will be sufficient to bury this ill-conceived scheme quietly and permanently.

Undoubtedly some very sincere and well-meaning people backed this new plan for solving the ancient twin problems of food gluts and famines. But they were far outnumbered by the crack pots and the planners who would replace normal marketing machinery and the law of supply and demand with state control and state distribution on a world wide scale.

During and since the war we have had some expensive and sad experience with that sort of thing in North America and especially in the United States. Farmers were told to stop worrying about prices and markets; the state would look after that. Their job was production only.

That policy has put American agriculture in a straitjacket where Washington bureaucrats and not the individual farmer decides what will be planted and when and how much. It has also resulted in staggering tax bills for subsidies, staggering food prices for consumers, and at the same time warehouses bulging with high-priced surplusses which neither the needy of America nor Europe can afford to buy.

In Canada, it is true, we have not progressed quite so far along this dangerous path but it is not for lack of encouragement from those who should know better. And we are certainly heading in that direction with the state supreme in the marketing of all grain and exercising wide control in many other lines.

Instead of moving into still larger fields of regimentation and frustration, North American food producers should be getting rid of this nonsense at home.

Canada's Ocean Fleet In Troubled Waters

Devaluation Boost to UK Ships Emphasizes Maritime Commission Report – Will We Keep Only What's Needed For National Security?

OTTAWA (Staff)—Faced with an official recommendation that Canada's merchant fleet be slashed to one third its present size, the Government this week is wrestling with a broad new approach for meshing dollar-sterling operations on the high seas.

Already before the Commons is a new bill to boost depreciation allowances from 6% to 33 1/3%. But this doesn't help an operator unless he's making money. It will aid big tanker operators. But means little to other than coastal vessels.

What's under discussion and will be announced before Parliament rises, is a completely new approach to Canada's critical shipping and shipbuilding troubles.

The aim is to fashion a policy that will pare the present Canadian merchant fleet down to the bare bones of what's needed for national security; may give us an anchor to leeward in a closer liaison with United Kingdom in the event of war emergency again arising.

Commission Report

First official insight into the plight of Canada's shipping and shipbuilding industries came last week with the tabling in the Commons of the second annual report of the Canadian Maritime Commission. The commission was constituted in 1947 to consider and recommend policies and measures for maintenance and development of an industry "commensurate with Canadian maritime needs." Chairman of the commission is J. V. Clyne of Vancouver.

The new report has hard and realistic words to say about the impossibility of Canada's position vis-a-vis U. K. and other European countries. Yet long before the report was tabled, its careful calculations were knocked awry by devaluation.

For example: the report gives detailed operating costs for standard 10,000-ton vessels, by nine leading maritime countries. These are averages for 1948, and based on official rates of exchange at March 31, 1949. The table shows U. S. costs of $972 per day; U.K. costs of $525 and Canadian costs of $810.

Today, the corresponding figures are $1,070 for the U. S. (Canadian dollars) and $400 for the U. K. The Canadian figure remains unchanged.

Or again, the commission report states that a Canadian-built ship, using British machinery and components, can be outbid 25% by a similar vessel built wholly in the United Kingdom. It also says that United Kingdom has an edge of 45% to 50% over a ship built entirely from Canadian materials and labor.

But devaluation has knocked the props from under even these pessimistic estimates.

What's presently to be faced is that Britain is now in a position to undercut by a further 20% to 25% — provided she wants to get the business by taking advantage of devaluation and that her own costs haven't risen too greatly meanwhile.

That means that a Canadian-built vessel using U. K. components could now be undercut by about 45% in the U. K., and that a wholly Canadian craft is at a 60% disadvantage.

Official recommendations of the Canadian Maritime Commission before devaluation are outlined bluntly in the new report. They are reported unchanged in general outline except that the need for some further aid to support even the skeleton fleet that is recommended, is further underscored. Chief recommendations:

1. That Canada's dry-cargo fleet be slashed from 176 vessels of 1.7 million deadweight tons (1950 estimate) down to about 60 vessels of 600,000 tons.
2. That employment in Canadian shipyards be maintained at about 7,000 of which half would be on repair and conversion work. (The report says employment as at June 1 was 9,000 against a wartime peak of 75,000.)

For National Security

Basis for maintaining any Canadian fleet and any semblance of a shipbuilding industry in Canada under present competitive conditions is deemed by the

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Shipping Report Two Months Late Reaching House

OTTAWA (Staff) — Having just got through the stormiest session of its career because of failure to table or publish the flour milling report, the Federal Government has now laid itself open to criticism on belated publication of the Canadian Maritime Commission report.

According to law, the C.M.M. must submit its annual report to the minister within three months of the end of the fiscal year. Subsequently the minister "shall lay the said report before Parliament forthwith, if Parliament is then in session, or, if Parliament is not then in session within the first 15 days of the next ensuing session."

The explosive and controversial second annual report of the commission, recommending drastic retrenchment in Canada's merchant fleet, is dated June 30, 1949.

But the report itself was tabled in the House only last week.

PRICES

Hardware prices are showing a firmer tone in Canada. Advances have been noted on such items as galvanized sheets, copper sheets, fuse plugs, cold chisels, wing nuts, hydraulic jacks, fishing reels and range boilers.

Liquor prices have been revised by the Liquor Control Board of Ontario and some slight adjustments announced effective December 1. Changes include reductions of 5c-35c a bottle on three brands of Scotch whiskies, reductions of 5c-35c bottle on six types of rum and increase of 5c and 20c on two others. Imported liqueurs have risen generally, with nine brands showing minor advances, only two declining. Six brands of imported port wines have advanced 10c-25c bottle while four types of sherry dropped 30c-65c.

Beer and ale price reductions were announced by Hope & Anchor Breweries of Sheffield, England effective Dec. 1. Reduction of 28.3% (down from 35c to 25c a bottle) in price of its products in Canada was made possible by sterling devaluation, it is stated.

Steel prices have been raised $5 ton by one U. S. producer. Increase is attributed to higher raw material prices rather than added pension and insurance costs which do not go into effect until March 1, 1950.

Non-ferrous metals were unchanged during the week.

Canned pork products have been reduced 2c-3c a tin as a result of the decline in price of hogs since midsummer.

Bacon, hams, etc. have shown steady decline in recent months due to the unfavorable export picture. How much of the export drop will be absorbed by rising domestic consumption cannot yet be determined.

Sugar prices may go up now that the Canadian Government is out of the sugar business. Canadian refiners must now buy direct from the British Ministry of Supply which has paid more on purchases from San Domingo as result of premium on U. S. dollars. However, lower prices for crop from sterling area may offset effect of such higher U. K. prices.

Coal Mine Aid Raises Hopes In Maritimes

Will Permit Start on Mechanization; N. B. Sees 'Big Improvements'

MONTREAL (Staff) — New federal government program of aid for Maritime coal mining will enable Nova Scotia coal mine operators to go ahead at once with a comprehensive program of mechanization, C. B. Lang, president of Dominion Coal Co., stated this week.

Due to the mounting cost of present production methods in the submarine areas, the future of these important coal fields have been in jeopardy, he said. Continued inability to produce coal for disposal on a competitive basis would threaten the existence of the industry.

Legislation now being introduced provides for long-term loans to Maritime operators totaling up to $10 millions, with a maximum of $7.5 millions to any one operator.

Mr. Lang pointed out that lowered mining costs would permit Nova Scotia coal to be competitive with other fuels again thus adding to general prosperity.

N. B. Sees New Expansion

From Our Own Correspondent

MINTO, N.B.—Just how much the federal government's plan to assist the Maritime coal mining industry will mean in higher production and larger payrolls for the New Brunswick industry is impossible to forecast at this stage.

However there is high hope that the industry is on the threshold of a new expansion.

Provincial Mines Minister Gill, in endorsing the plan, stated lack of mechanization in N. B. mines had raised costs and that production per man was lower than in N. S. Another prominent N. B. coal operator, Persival Streeton, member of the Dominion Coal Board, said the legislation "would give Maritime coal producers an avenue of assistance not heretofore opened to them." He expected great improvements in the industry.

Two Signals Up For Business in '50

Much Depends on U. S. Business Being Maintained at High Level; Soft Spots Show Up Here as Export Trade Slumps in Other Markets

By KENNETH R. WILSON

OTTAWA (Staff)—Warning signals are up for Canadian business in 1950. But if U. S. business is maintained at a high level, 1950 could be another big year for Canada as a whole—even though there will be an increasing number of soft spots in the next 12 months.

More specifically, here's what government and private economic observers see ahead for 1950:

1. **Warning Signals:** No more special disbursements such as the $460 million wheat and income tax repayments of last spring; export sales are slipping; a wheat problem looms for 1950; increasing spottiness in employment.

2. **U. S. Business Prospects:** At the moment these look good for at least the first half of 1950. Capital expenditure is high; big insurance payments will be made to GI's in the first half; government spending for defense, farm price supports, etc., has temporarily plugged economic holes. Most vulnerable factor is this increasing dependence of U. S. business on government support. This overshadows the fact that fundamental postwar adjustments in heavy industries, food production haven't yet been made in the U. S. A.

As one leading Canadian economist stated to a group of business newspaper editors last week: "The U. S. Congress might accept a deficit of $5 billions but what about $10 or $15 billions? How far will some groups go in giving other groups support?"

If this dip in U. S. conditions took place, Canadian national income could slip as much as 10%; our exports might slump by one fifth. As well, there would be serious local pockets of unemployment and economic distress.

If U. S. business slackens even slightly, Canada might find herself in 1950 with lower over-all production and income, together with troublesome "local" problems of a sort which would require some kind of government assistance and aid to avoid a serious drag on the national picture as a whole.

We are facing some of these right now in shipping and shipbuilding, egg production and woolen goods manufacture.

Watch These

The two figures to watch for 1950, are the level of Canadian exports and business conditions in the United States. The former will of course reflect the latter. But our exports might also go on a tack of their own which would indicate serious trouble for individual areas and industries in Canada.

Export figures are already showing signs of these soft spots —even though trade returns are notoriously slow in reflecting employment and the state of the nation's order books.

Exports in October were $269 millions, a drop of 12% from the $307 millions sold in the same month last year. But these total figures cover up the fact that October exports to the U. S. were maintained both this year and last at $150 millions.

If these are deducted and also our wheat exports in October, it's found that all other exports are down 35% in this one month, compared with the same month last year.

It is this kind of "spotty" situation which it is expected will be aggravated and continued as the dominant feature of 1950 — no matter what the over-all level of employment and production may be in Canada next year.

Over-all, it is expected that

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Inside News

Our Top Court

Canada's Supreme Court shortly becomes the highest and final court of appeal for all citizens. What changes will take place? Will our Supreme Court now become more remote or more accessible to the average citizen? (p. 17).

More For Ad Dollar

Choosy consumers, stiffer competition are to squeeze some water from advertising budgets where there's been some free spending on "marginal media." Agencies will spend big but plan down to earth. A Post survey. (p. 13).

Welfare—City Bugbear

How far can municipalities go in providing social and welfare services? Should they be in this field at all? Can the metropolitan cities, especially, afford this strain on their resources? A special committee examines this problem as it exists in Toronto, urges an immediate re-examination of municipal-provincial fiscal relationships in Ontario. (p. 7).

Dividends—Who Pays?

Dividends payable in December by Canadian companies amount to $75.9 millions. Up only slightly from last year. The record by companies. (p. 21).

He'll Wait and See

MacNab buys and sells both stocks and bonds; delays other transactions until Dow Jones industrial average seems more stabilized. Managed Investment. (p. 5).

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Financing Means Start This Winter On Labrador Rly.

New financing for Labrador-Quebec iron ore development from six major steel companies as announced this week by Jules R. Timmins, Hollinger North Shore president, will be followed by an immediate start on the 360-mile railroad needed to complete the link between the ore fields and the St. Lawrence. Work this winter will be on the tote road—not the actual rail line.

But it won't mean an immediate "10,000 new jobs for Canadians" as heralded this week.

The $5 millions "cash-on-the-line" involved in the new financing will be spent in further proving up already indicated reserves, in extending tonnages already outlined. This will take about two years.

For railroad operation there will be hundreds of jobs this winter. When the road is completed it's planned to use 104-car trains (100 tons capacity each car) drawn by four Diesels and averaging 45 miles an hour.

Mining by open pit methods is planned with eight shovels averaging 64,000 tons of ore a day. Full story, page 29.

We're Hanging on to Gold But Price Said Not Reason

OTTAWA (Staff) — You'll be fooled if you read official trade and commerce reports that Canada's net exports of non-monetary gold have amounted to $97.8 millions in the first nine months of 1949.

The fact is that Canada hasn't exported any gold this year. We're adding it to our official holdings.

Each month, the Dominion Bureau of Statistics puts out an official statement of Canada's trade. It summarizes our commodity exports and imports. It adds the table showing "net exports of non-monetary gold" month by month.

But investigation by The Financial Post discloses that these figures aren't "exports" at all — except in a purely "balance-of-payments" jargon. Both the big Canadian express companies which handle gold shipments of the border, report "no business" in 1949.

What's been happening to our gold?

Another government publication "Statistical Summary of the Bank of Canada" tells the real story.

Since April, 1949, our official holdings of gold in government coffers have risen $52 millions. We held $450 millions of gold as at Sept. 30—latest available date. The low point was December, 1948, when our official gold stocks dropped to $286.6 millions. A year ago last September, we had $371 millions in the official kitty.

Government officials are quick to point out that this policy of holding, instead of shipping gold mustn't be interpreted as a tip-off that the government thinks the price of gold is going to rise. There is no "taking a position" in gold so far as Ottawa is concerned. Policy about holding or shipping gold, changes from time to time.

We like to keep a considerable liquid balance, especially if there is a danger that a favorable trade in our exchange reserves might suddenly be reversed. We also hesitate to put too heavy a burden on U. S. authorities to finance our reserves by undue purchases of gold which involve U. S. dollar outlay—at our expense—in that we can earn money on the U. S. dollars if we convert a disproportionate amount of our U. S. dollar and gold reserves into U. S. funds.

Canadair-Ottawa Deal May Top $3.7 Millions

MONTREAL (Staff)—Canadair Ltd. is expected to take up its option on the government-owned Cartierville plant shortly, The Financial Post understands. Price is expected to be between $3.7 and $3.8 millions.

The aircraft company has been leasing the plant for the past three years at an annual rental of $200,000, with a 15-year option (from September, 1946) under the original deal to acquire all the facilities including tools at an inclusive price ranging from $4 millions in the first year to $2,511,961 in the 15th year.

Exact price is not known, since actual date of taking up the option has not been determined, The Post is told. Several details have still to be worked out between the company and the government before the deal goes through.

Although the original financial arrangement called for sale of the tools for the North Star as part of the purchase price, a subsequent order-in-council left all these tools as the property of the government.

The Cartierville land, buildings, plant, machinery and tooling cost the Federal Government $21.8 millions, according to a statement tabled in the House by Trade Minister Howe in March, 1947. The cost of development of jigs and other apparatus used to produce the North Star which remain the property of the government, is estimated at about $14-$15 millions. Although no official figure has been released, it would appear that the land, building and equipment being purchased by Canadair in exercising their option would have a book value of somewhere between $7 millions and $9 millions.

At the moment, the company is building a 200,000 square ft. addition to its plant to fabricate aircraft parts and fabricate and assemble tools, dies, jigs and fixtures in connection with its $30 millions contract to build 100 F-86A jet fighters for the Canadian Government. Some operations will start to be moved into the new part by March. Subassembly and final assembly will be carried out in No. 2 plant. All deliveries on Canadair four orders for BOAC and CPA have been completed.

Business Has Women Trouble

Jobs Go Begging — Not Enough Girls To Go Round

By RONALD WILLIAMS

The trouble is, wailed a hard-pressed employment manager, there just aren't enough girls to go around.

He might have had trouble convincing a lonely hearts club or a man-hungry feminine stag line, but not fellow office managers who don't know where their next stenographer, bookkeeper, filing clerk or other female office help is coming from.

The shortage of girls is just about the toughest staff problem facing business today. Demand exceeds supply by a wide margin. Currently in Toronto for example, National Employment Service reports 4,296 job vacancies against 2,453 applicants. When it comes to men, the situation is reversed: 1,703 jobs; 8,846 job seekers.

Good jobs for stenographers, clerks, general office jobs are going a-begging. Some firms have permanent orders on file with NES. At midweek, orders for 487 secretary-stenographers were on file in the Toronto office alone.

Firms were running help wanted ads every day, hoping to get a steady trickle of applicants to balance the steady turnover drain. The odd firm was deliberately raiding other staffs by offering higher pay.

Girls who normally work in large business offices are quitting to take higher paying jobs in stores, factories. In one 5 and 10, salesgirls start at $25; inexperienced general office help gets $31; mimeograph operators, $40.

School Registration Down

"We are in a highly competitive market for girls," The Post was told by the personnel director of one of the country's biggest insurance companies.

"What's more, I can't see any end to it for two or three years. Commercial schools are only turning out about half as many office workers as in 1939, yet demand is twice as great."

A survey of three of the bigger Toronto schools showed 1949-50 registration 50% below 1939. The graduating class picture was even worse: 1,065 in 1939; an estimated 358 this coming year.

Another executive said the situation would be infinitely worse if it were not for married women working. One big insurance company has had to amend its rules against employing wives. Instead of a blanket ban, girls in its employ when they get married can keep on working. Other firms have lifted the ban altogether.

With Christmas coming on, the problem is intensified. The demand for any kind of sales help is as great today as at any time during or since the war, a department store reports. Toronto NES alone had orders for 150 salesgirls this week and it represents only a small portion of the demand.

When the seasonal rush ends, the pressure will ease slightly

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Pace of Business

Security transactions between Canada and other countries totaled $46.6 millions in September and resulted in net purchase balance of $3.4 millions compared with a balance of $0.6 millions in August and $0.9 millions a year ago.

Department store sales in week ended Nov. 19 were 1% above a year ago. Increases in Maritimes (15%), Manitoba (8%) and B. C. (7%) more than offset declines in rest of Canada.

Carloadings in week ended Nov. 19 totaled 82,950 cars against 81,573 in previous week and 86,961 a year ago.

Railway freight loadings, index (1935-39=100): **Tons**—149.9 in October, off 9% from 164.7 in September, 7.8% from 162.5 a year ago; **Cars**—140.3 in October, down 2.9% from 144.5 in September, 4.7% from 147.2 in Oct. 1948.

Exports totaled $269.1 millions in October, up 17.7% from $228.4 millions in September but 12.4% below $307.0 millions a year ago. Ten months total dropped 2% to $2,415.1 millions ($2,465.1).

Employment in all industries showed contra-seasonal decline to 202.0 at Oct. 1 from 202.1 on Sept 1 (index 1926=100) and was below 203.1 at Oct. 1, 1948. Manufacturing employment also declined to 208.5 from 209.2 in Sept. 1 and 210.0 at Oct. 1, 1948 (1948 peak).

Wholesale price index (1926=100) at 157.1 in October reversed downtrend noted since beginning of year. Compares with 155.4 in Sept. and 159.3 a year ago.

Life insurance sales in October totaled $108,455,000, increase of 6.5% from $100,887,000 in Oct. 1948.

Steel ingot production in October totaled 252,965 tons, up 8.6% from 232,882 tons in September, down 7% from 272,127 tons a year ago. Ten months total was up 1.1% at 2,578,272 tons (2,550,228).

Egg production in October: 21,264,000 doz., down 11.7% from year ago (24,082,000). Ten months total off 16.5% at 280,370,000 doz. (335,845,000).

Manufacturing inventories, index (1947=100) increased slightly to 130.3 at end of September from 130.2 at end of August. Latest figure 3% below February peak of 134.2 but 3% above 126.7 in Sept. 1948.

Shoe production in September totaled 3,377,366 pairs, up 20.2% from 2,810,954 pairs a year ago. Nine months total was 16.2% higher at 27,544,693 pairs (23,708,770).

EATON'S

Here's an Easy Way

FOR BUSY MEN
TO SHOP FOR CHRISTMAS!

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SHOPPING SERVICE

EATON'S

Happy U.S. Yule Helps Us

Nova Scotia Labor May Get $226,000 From Trees

From Our Own Correspondent

MONCTON — Some eight million export Christmas trees are expected to "cross the line" for this Yuletide season and of this total New Brunswick and Nova Scotia will contribute about three million.

An official of the J. Hofert Co. (Maritimes) Ltd. of Moncton said the 1949 volume will surpass last year when Canada exported 7,852,378 trees and Newfoundland 80,000 for a total value of $2,444,173.

This company is the largest buyer and shipper in the Maritimes and exports its trees to the United States where they are distributed from the company's offices in Newark, Pittsburg, Kansas City, St. Louis, Seattle and Los Angeles. Kamloops, B.C. is the centre of western Canadian operations.

The Christmas tree industry has long been established in New Brunswick. During the war years it declined due largely to shortage of manpower and restricted transportation facilities. It has been expanding again and this season all previous records are expected to be passed. Falling off in markets for pit props, pulpwood and lumber are added reasons why more Christmas trees are being cut this season since the U. S. demand remains strong.

Cutting operations generally start about Oct. 15 and are completed early in December. Practically all the trees are shipped by C.N.R. and C.P.R.

The Hofert company was established in 1880 and exports about one-half the Christmas trees cut in N.B. and N.S. This company operates its Moncton eastern headquarters the year round and has some 2,000 farmers listed as contributors. A company spokesman said here that the annual Christmas tree trade is a great boon to the small farmer who is the largest producer.

As an indication of how the industry has increased in recent years the figures for 1938 reveal that in that year Canada exported to the United States some four million trees for a total value of $439,000. Now the number is double and the value eight times greater.

Another U. S. dealer, a buyer for 26 years for a New York concern, said recently in Halifax that mounting transportation and other costs may adversely affect the Christmas tree industry in the Maritimes. He stated that more than one million trees will be shipped from Nova Scotia this season and that labor costs involved in the shipment will amount to $226,000.

Beneficial as the trade is to the small farmer by providing him with a much needed "cash crop" at a time when money is scarce, many here feel that this annual denuding of woodlands will not be profitable in the long run. However, others feel that since all the trees cut are fir which have not the commercial value of spruce and are cut mostly on woodlands or woodlots which will not likely be developed into forest lands, no great harm is being done.

What Upset Litho Strike Settlement?

A last minute hitch in return-to-work procedure has upset the settlement, prematurely announced by the union, in the 23-week-old Ontario-Quebec lithographer's strike.

As usual, the union, the CIO Lithographers, beat the employers to the punch in getting the public their version of what caused the breakdown.

The way the union's Canadian vice-president Arthur W. Brown, told it, the issue was clearcut: employers want to insert two clauses in the contract which would have jeopardized the security of union members. A statement said the membership unanimously rejected the proposal.

Employers through the Canadian Lithographer's Association gave more details of what actually caused the deadlock:

"Complete agreement was reached except on one matter—union insistence that all plants must open on the same day and all employees must return to work the same day, regardless as to whether there is work for them or not.

"(The) Association remains of the opinion that the only solution is to open the plants immediately and absorb employees who are available as quickly as they can be absorbed. This we are prepared to do in good faith.

"There is no precedent whatever in any strike settlement for the union's demand that all return to work at the same time. The clause about which the union is complaining is rendered unnecessary if the usual procedure is acceptable."

In other words, if the union insisted on its unprecedented back-to-work demand, the employers felt there should be some sort of protective clause written into the contract allowing them to lay men off until there was work for them to do. However, this was not proposed, say the employers, until the union took up its adamant stand.

Because of the length of the strike, the industry is badly dislocated. Business has been lost to other printing techniques, some permanently. It will be some weeks before any plant can get running all out. If they have to take everyone back the same day, they will be paying employees to do nothing until work is available, the employers complain.

Despite this, the union insists: "Any delay in settlement of the strike is entirely due to the employers . . ."

Against the terms of settlement, the hitch appeared to be small reason for keeping some 900 workers and 38 plants idle. The Union backed down on its demand for a company-financed pension plan and the 37½ hour week. But they got a 17c hourly increase. Of this, 7c is retroactive to January giving each a lump sum of about $130 in back pay.

In addition, the employers agreed to incorporate in the basic wage structure a 5c cost-of-living bonus which they had been paying for some time.

The settlement took a long time to thrash out. About a year ago, both letterpress and lithographic pressmen submitted demands. A relatively quick agreement was reached in letterpress on the basis of a 15c hourly raise, giving pressmen a basic rate of $1.50 a hour. However, the litho dispute dragged on and on.

Now, just as an agreement on wages has been reached in the litho field, 12 months after the original demands were made, letterpressmen are back for a further round of increases. These new demands are now before a Board of Conciliation.

CAPITAL WIRE CLOTH & MANUFACTURING CO., Ottawa, has called its outstanding $1.50 cumulative preferred stock for redemption on Dec. 31, 1949, at $26.50 a share. There were 10,000 shares outstanding at Dec. 31, 1948. The stock is convertible into common on a share-for-share basis.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

Bank of Canada (Ottawa)—J. E. Coyne, deputy governor; Alfred Pickard (Charlottetown), Hazen A. Russell, (St. John's) directors.

Broker-Dealers' Association of Ontario (Toronto)—Cecil J. Young, Harold J. P. Stephenson, assistant secretaries.

Canada Gov't (Ottawa)—Wilfrid G. Brown, (Regina) Magistrate of the Northwest Territories.

Canada Health & Accident Assurance Corp. (Waterloo, Ont.) — John Ingle, manager at Toronto.

Canadian Tugboat Co. Ltd. (Vancouver)—Hugh Cliffe, manager.

City of Edmonton — Robert F. Duice (chief building inspector), city architect.

Canadian National Railways (Montreal)—H. M. Blaiklock, real estate agent, central region, at Toronto.

Canadian Pacific Railway (Montreal)—W. B. Knox, assistant superintendent at Wilkie, Saskatoon division; B. R. Beech, Winnipeg, district safety agent at Moose Jaw; F. J. Malone, superintendent at Medicine Hat; George Meldrum, superintendent at Lethbridge.

Cosmos Imperial Mills, Ltd. (Hamilton) — Gordon B. Lawrence (Yarmouth, N.S.) superintendent at Hamilton.

Guarantee Company of North America (Montreal) — H. Millar Rawlings, president and managing director.

Edmonton Paint & Glass Co. (Edmonton) — H. N. Glover, general manager.

English Electric Co. of Canada (St. Catharines)—A. H. Frampton, vice-president and general manager and a director.

Imperial Bank of Canada (Toronto)—I. K. Johnston, a vice-president.

Imperial Oil Ltd. (Toronto)—Alfred E. Morson, traffic department manager; Ian H. Lute, assistant manager.

Industrial Acceptance Corporation Ltd. (Montreal)—D. S. Birks, manager at Nelson, B.C.

McGraw-Hill Co. of Canada Ltd. (Toronto) — Charles Sweeny, managing director.

National Drug & Chemical Co. of Canada Ltd. (Montreal) — David E. Wright, manager at Toronto.

National Film Board (Ottawa)— Ralph C. Ellis (Halifax)—co-ordinator of theatrical distribution at Ottawa.

Newfoundland Association of Architects (St. John's) — W. D. McCarter, president; R. F. Howard, vice-president; William J. Ryan, secretary-treasurer (new).

Okanagan Investments Ltd. (Kelowna, B.C.) — N. M. Armstrong, manager at Penticton.

Pacific Logging Congress (Portland, Ore.)—Sidney G. Smith (Vancouver) vice-president.

Pilkington Glass Ltd. (Toronto) —Albert E. Rocque (Edmonton) manager at Vancouver.

Royal Canadian Academy of Arts (Ottawa) — Ernest Cormier, H. L. Fetherstonhaugh (Montreal), councillors.

Seagram & Company, brokerage firm (Toronto)—E. Evelyn, a partner.

Seashore Drug Travellers' Association (Halifax)—C. J. MacDonald, general president.

Stafford Industries Ltd. (Toronto) —Charles R. Bawden, comptroller.

Unique Glove Co. (Canada) Ltd. (Montreal) — Bert Kennedy, New York, a director.

Walsh Advertising Co. Ltd. (Windsor) — George E. Cross, a director.

Obituaries

Edward J. Coyle, 79, Vancouver, president, Pacific Coyle Navigation Co.

Harvey P. Hayward, 89, former president of Hayward & Warwick, Maritime glassware and china firm.

F. W. Parr, 62, Windsor, superintendent of construction, Canadian Bridge Co.

Peter White, 77, Toronto, noted crown counsel, former mayor of Pembroke.

Charles E. Sisson, 70, retired works engineer, Canadian General Electric Co.

Owsley Robert Rowley, 82, Toronto, retired Bank of Montreal executive.

PROVINCE OF BRITISH COLUMBIA has called for tenders this week on a $15 million sinking fund 3% debentures dated Dec. 15, 1949 and due Dec. 15, 1969. Purpose is to refund treasury bills.

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BOX 308, THE FINANCIAL POST, TORONTO

Over-all Construction Activity In 1950 Seen Holding at This Year's High Volume

With warning signals up for Canadian business in 1950, an increasing number of soft spots in the economy in prospect, what's the outlook for 1950 in construction, housing and the lumber business? Dr. O. J. Firestone, Director of Economic Research, Department of Trade and Commerce, dealt with these questions in an address to the Eastern Ontario Lumber Dealers Association in Ottawa last week. Here is a digest of his speech:

By DR. O. J. FIRESTONE

From 1945 to 1949 the amount spent on construction in Canada has been increasing each year at an average rate of about 25%. Such a rate of increase is not likely to continue forever, and in fact the increase over last year was only 10%.

It looks at present, in over-all terms, as if Canadians may be able to maintain in 1950 the high volume of construction achieved in 1949. But there are signs for a decline in certain types of projects, offset in part by increases in the volume of other projects.

In engineering the prospects are bright, with many utilities and most governments expecting to spend a bit more in 1950 than in 1949.

In building the trend is mixed. It looks as if there may be less money spent on factory buildings and possibly a little less on commercial buildings. More is likely to be spent on institutional and government buildings however.

Housing is the great question mark. Housing starts during the first five months of this year were 18% above those of 1948; during the next four months they were 15% below. For the whole nine months they were 5% below last year.

Unless the decline of housing starts over the last four months continues at the same rate until the end of the year, there is a good possibility for a housing carryover of some 50,000 units, which would come close to last year's peak carryover.

Moderate Housing Decline

There are several factors that point to a moderate reduction in the number of housing starts next year.

First, the rate of new families formed has been declining in 1949 and is currently running about 10% below 1948. If that trend continues there will be fewer new families demanding houses.

Secondly, a lot of families in the middle income brackets with adequate means for down payments have already bought new houses or rented new apartments. Finding sufficient cash for a down payment has already become a problem.

Thirdly, construction costs as a whole and building material prices in some lines may drop a bit, but not significantly enough to attract for this reason alone many new home purchasers.

There are, however, a number of other factors which suggest a continuing high level of housebuilding. There are still a significant number of families without a home of their own and looking for a separate place to live in.

Reduced down payment requirements resulting from the new housing legislation will make it easier for people to buy new homes.

If the Federal Government can conclude agreements with at least some of the provinces on a new housing deal there is no reason why fresh starts shouldn't be forthcoming in 1950. There is also a substantial carryover from 1949 of a Federal Government housing program for service personnel and their families.

Last, there are prospects that employment and income in 1950, except for a few selected areas and in a few special industries, may be close to the 1949 peak level, and as long as people have money in their pockets and need new homes there is a good chance they will spend it.

On the whole, the outlook is for the volume of housebuilding in 1950 to come close to the 1949 peak. This could happen even if the number of housing starts would keep on declining because of the likely heavy carryover by the end of this year. However, if starts kept on declining during 1950, the outlook for 1951 would be less favorable.

With a reasonably good building year in prospect for 1950, sales of lumber to the domestic market should hold up quite well.

At the same time, competition is likely to get a bit keener as lumber producers are finding it difficult to maintain their sales to overseas countries and are trying to sell more at home or export more to the United States.

As far as the lumber market to the south is concerned, things have been looking up in the last couple of months, and there are hopes that the market will remain firm for at least the first half of 1950.

Having gotten over a mild recession, at least temporarily, American businessmen are optimistic again, construction has been picking up, and the U. S. lumber market has become firmer.

A number of Canadian lumbermen who, as a result of devaluation have a 10% margin over their American competitors, feel that they can hold their own in the American market—at least for the time being.

On the whole, as long as domestic sales are continuing at high levels, and as long as the U. S. market improves a bit, the decline envisaged for sales to overseas countries should not affect lumber output in Canada significantly except in a few areas. For the lumber industry as a whole there are good prospects that the volume of its sales in 1950 may come pretty close to that of 1949.

Ontario 'Hydro' Is Canada's Biggest Steam Power Builder

Ontario's electric power commission has just put another shot of steam into its $600 millions drive for extra energy.

Last week in Hamilton, when "the Hydro" opened valves in a new 10,000 kilowatt emergency steam plant, it was well on the way to outgrowing its name. While still Canada's biggest current builder of water power, it had risen almost overnight to top place in steam-electric construction as well, with commitments for current steam building already more than $70 millions.

Hydro at about the same time was to spill steam into turbines of three other "temporary, emergency" power plants, with a combined capacity for the four of 55,000 kilowatts and cost about $7.5 millions. The others: "Scarborough," on the Toronto east waterfront (20,000 kilowatts); Thorold (15,000); Chatham (10,000). And foundation construction was being pushed for two permanent steam plants that will dwarf the others. One on Toronto harbor will cost $40 millions; the other, on the Windsor riverfront, $21 millions.

That means huge-scale buying of soft coal to be ground to talcum powder consistency and blown into big steam generators like the four made for the Hamilton plant by John Inglis Co., and for Scarborough by Canadian Westinghouse. Generators for the huge Toronto and Windsor plants are being made by Babcock-Wilcox & Goldie-McCulloch Ltd.

The Hamilton station opened last week, designed to generate 60-cycle power, has two 5,000 kilowatt units. Output eventually will be taken into Hamilton's 25-cycle area on that city's conversion to 60-cycle operation. Meanwhile, to alleviate pressing demand, power will be generated at 66 2/3 cycles and fed into the old DeCew system, thereby releasing more water for additional 25-cycle generation at DeCew. Coal consumption at Hamilton will run to about 180 tons a day.

New Depreciation Basis In Income Tax Changes

OTTAWA (Staff) — The new and voluminous depreciation allowance regulations are now ready and waiting for approval by Cabinet Order-In-Council as soon as Parliament passes the income tax amendments contained in Bill 176.

The new regulations, first to be prepared under the 1948 Income Tax Act, will go before cabinet for official OK, as soon as the present bill is through both houses. They will then be published in the Canada Gazette and become law.

One of the most important changes in the new regulations is that for the first time, Canadian depreciation allowances for income tax purposes will be placed on a "diminishing" basis — the same basis as used in Great Britain.

Higher Initial Rates

This was announced in the Abbott budget last March but was never approved by Parliament.

It means that instead of a "straight line" allowance of a certain fixed amount each year, depreciation allowances in future will be reduced by a fixed percentage. This will have the effect of diminishing the actual amount written off each year. It will also mean that the new initial rates will be higher.

For example, under present procedure a $100 asset may be written down by 10%—the 10% to be figured on the original sum and totaling therefore $10 each year. Under the new basis a 10% rate would write the asset down to $90 the first year; then reduce it by 10% of $90, bringing it to $81—and so on.

Can Recapture Excess

One new feature written into the new Act is a provision permitting the government to recapture excess depreciation in the event that a depreciated asset is subsequently sold for an amount in excess of its value for tax purposes. That is: if an asset is written down to $40 for tax purposes and is subsequently sold for $50, the new proposed set-up permits the government to recapture the excess.

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Big Nfld. Tax Issue Headed For Courts?

OTTAWA (Staff) — It is expected here that the courts will finally be asked to decide the big corporation tax claim which Ottawa will shortly levy against Bowater Pulp and Paper Mills.

Bill 176 (income tax amendments), now going through Parliament contains one item (clause 49) to implement the federal claim that tax concessions under the Statutes of Newfoundland shall not apply to taxes imposed by an act of Parliament of Canada.

Once this is approved, the Federal Government will be authorized to levy taxes at the going corporation rate on Bowater and other Newfoundland corporations whose sole payments to date have been fixed nominal sums agreed to with Newfoundland many years ago.

In the case of Bowater, the fixed tax rate payable annually to Newfoundland was $150,000 irrespective of profits. Under present rates and against profits of the order of those of recent years, the new federal impost would be upward of $1.5 millions.

Under the terms of Confederation, it was stipulated that existing contracts would not be honored so far as Newfoundland was concerned. Accordingly a bill is now being put through the Newfoundland Legislature which would make Bowater and other similarly placed companies subject to the 5% provincial corporation levy.

But no mention was made of any federal obligation in the terms of Confederation. In short, Ottawa claims that it reserved to itself complete freedom to impose taxes irrespective of any previous agreements which may have existed between Newfoundland and individual corporations.

This is the issue which sooner or later will be submitted to the highest courts for settlement. By the time this is done, the highest court may be the Supreme Court of Canada.

ADVERTISING

Account Appointments, Plans And News of Personnel in the Canadian Advertising World

James Lovick & Co. (Montreal) says Trubenizing Process Corp., New York, will use regular insertions in major Canadian magazines and dailies, supplemented by public relations and dealer aid program, in nation-wide campaign.

* * *

Walsh Advertising Co. (Toronto) reports increased media list for Post Office Department's 1949 Christmas "Mail Early" campaign.

* * *

Erwin, Wasey of Canada Ltd. (Toronto) appointed by James Keiller & Son Ltd., Trenton, Ont. Six national magazines will carry Christmas promotion of Keiller's Dundee Cake and Dundee Shortbread, Scottish products for which Trenton firm is exclusive Canadian agent.

* * *

Stevenson & Scott Ltd.'s head office in Montreal now occupies larger offices on second floor of the Bank of Montreal Building, 1260 University Street.

* * *

O'Brien Advertising Ltd. (Vancouver) places 420- and 630-line Christmas campaign for Supersilk Hosiery Mills of London, Ont., in dailies across Canada.

* * *

James Fisher Co.'s campaign for S. Smith & Sons (Canada) Ltd. uses weekly insertions in daily newspapers in major markets across Canada to promote client's English-made clocks. Opening feature is devalued price of alarm clock; other clocks will be highlighted later.

* * *

Walsh Advertising Co. appoints George E. Cross, manager of its Toronto office for past nine months, to its board of directors.

* * *

Penn McLeod and Associates Ltd., marketing research firm with head office in Vancouver, enters Eastern field with opening of a client sales and service office at 365 Yonge St., Toronto, under R. B. Dickinson; also expands southwards with office in Seattle, Wash.

* * *

F. H. Hayhurst Co.'s campaign for English-made all-rubber Minibrix Building Sets (Canadian distributor: R. D. Fleck & Co., Oshawa) uses major Ontario dailies. Contest asking children how many parts in No. 1 Minibrix set is announced in large space on comic pages; further advertising will follow announcement of winners.

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TRANSLATION in Spanish, French, Portuguese, done accurately, quickly. R. C. Halliday, Box 91, Willowdale, Ont.

Warning Signals Up For Business In '50; Much Depends on How Things Go In U. S.

(Continued from page 1)

if business is maintained in the United States, there will be about as many employed as in 1949. But this would still give higher unemployment next year, since the labor force due to immigration and natural increase is up about 2% or close to 100,000.

Investment in capital expansion in Canada is expected to be maintained at high levels in 1950, but to exaggerate and extend the trends shown in 1949. That means further slackening in new industrial and commercial expansion, but continued strength in public utilities, public works, housing, etc. Not to be overlooked, though, is the fact that any expansion of the order of 1949 totals represents a substantial net addition to productive capacity; usually to plant or productive efficiency. (See forecast by Dr. O. J. Firestone, page 2, this issue.)

Exports will probably dip next year even if over-all national income and production remain high. If we run into real trouble, our exports could drop as much as 20%; might fall back 10%, if business settles down at something below the 1949 level.

SELECTED CANADIAN EXPORTS
(Millions of Dollars)

	9 Mos. Ending Sept. 1949	9 Mos. Ending Sept. 1948
(a) Bulk Items:		
Wheat	312.3	148.5
Newsprint	310.2	278.0
Woodpulp	124.8	158.6
Base metals	283.1	240.7
Lumber	108.6	149.9
	1,139.0	975.7
(b) All Other Exports	1,007.0	1,182.4
	2,846.0	2,158.1
(c) Special Manufactured Items:		
Whisky, etc.	24.6	19.4
Rubber goods	20.4	24.8
Leather, etc.	5.4	10.0
Textiles	20.8	35.5
Paper products (ex. newsprint)	15.0	25.3
Farm implements	78.4	54.0
Machinery	23.8	29.4
Autos & parts	29.5	35.9
R.R. rolling stock	31.4	8.4
Misc., iron & steel	27.1	41.8
Elec. apparatus	9.0	12.6
Fertilizers	30.2	28.1
Other chemicals	22.8	33.5
Ships	36.6	42.8
Aircraft	17.2	9.5

What's shown here is that, after excluding the five bulk items of wheat, newsprint, woodpulp, base metals and lumber, Canadian exports in all other lines in the first nine months of this year were only $1,007 millions—a drop of 16½% from the same period a year ago.

Even in the five items excluded there is the significant pattern of ups and downs—big dollar gains from wheat, newsprint and base metals; a slump in overseas sales of woodpulp and lumber.

The second part of the above table shows how the pattern of export sales in a selected group of manufacturing industries has been changing to date this year. Ten of these groups show declines—some of them as high as 50% in the case of leather and its products.

If it were not for the sharp gain in farm implement sales and in special items like railway rolling stock and aircraft, the over-all decline would be quite considerable.

These figures draw attention also to one important fact: trade statistics have failed to register as yet the sharp decline in export business which hundreds of Canadian firms are presently experiencing. Export totals for ships, railway rolling stock, etc., reflect orders which were placed months or years ago and which are not being repeated under present conditions of devalued currencies; import restrictions in South Africa, collapse in China, etc.

Another indicator of what's presently happening in Canadian plants has also been compiled by The Post.

The following table taken from DBS official statistics, shows the actual number of hours worked in typical Canadian industries during the last week in August. In an adjoining column is an approximately comparable figure for the corresponding work week in 1948.

There is a bias in the 1949 figures because of the fact that the last week in August, 1948, was particularly hot. Therefore many thousands of workers who would otherwise be employed were sent home. Making allowance for this, it would be necessary to increase the gap which is already appearing in many industries between 1949 and 1948.

Number of Hours Worked in Representative Industries, Last Week of August

	1949	1948
Boots & shoes	13,496	14,330
Rough & dressed lumb.	42,574	42,824
Furniture	15,066	11,514
Pulp & paper	42,735	45,707
Paper products	16,607	16,851
Printing, publishing	23,918	24,639
Rubber goods	16,314	17,453
Textiles:		
Needle trades	50,901	53,031
Cottons	20,367	20,664
Woolens	11,998	13,391
Silk, rayon	14,126	14,353
Hosiery, knit goods	19,396	21,087
Garments, etc.	41,198	38,462
All textiles	124,255	125,134
Beverages	14,382	13,814
Chemicals	25,171	24,780
Heavy electric appar.	9,266	9,722
All elec. appliances	35,570	36,104
Iron & Steel:		
Machinery	20,103	22,274
Farm implements	12,054	15,332
R.R. equipment	40,783	40,095
Autos & parts	38,911	34,379
Planes	6,915	6,375
Steel ships & repairs	12,143	19,006
Hardware	9,552	9,831
Fdry., machine shop	6,625	6,754
Sheet metal work	12,799	12,004
All iron & steel	224,183	233,272
Aluminum & prod	4,341	11,346
Brass & copper prod.	7,949	9,472
Coal mining	20,845	21,179
Metal mining	37,910	37,218
Building construction.	107,307	91,379

Here again, as in exports, the revealing fact is the sharp variation in different groups and industries throughout Canada in the late summer. There is high and buoyant employment in building construction. There are also many areas of strength where number of hours worked matches or exceeds those of a year ago. There are a number of sharp downward trends.

APPOINTED SECRETARY

William L. Shortreed, formerly an assistant to the general manager of John Labatt Limited, was appointed to the position of Secretary of the Company at a recent meeting of the Board of Directors.

A member of the Bar of the Province of Ontario, Mr. Shortreed has been associated with John Labatt Limited since 1947. *

Look For It Here

Dec. 3, 1949

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Eldona	29	Pac. Pete.	26
Falconbridge	30	Quesabe	30
Giant Yk.	29	Ramsden L.	27
Golden Man.	31	Roybar Uran.	4
Heva G.	30	Sherritt	31
Holl.-Hanna.	29	Sigma (Que.)	32
Imperial Oil	20	Stadacona	21
Jaculet	30	Steep Rock	30
Joliet Que.	30	White L.	32

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'50 Survey of Mines Now Off The Press

With a record $820 millions of mineral wealth turned out last year, the 1950 edition of The Financial Post Survey of Mines, just issued, tells a continuing story of expansion and increased production at individual mines in the current year.

Providing complete details of all active mining companies in Canada as well as thousands of others, the 396-page Survey, with its 36 pages of maps, eight-year price range of stocks, mineral production tables extending back to 1858, etc., is recognized as the most comprehensive work in its field.

Reviews of individual companies offer a handy reference to production, earnings, dividends, ore reserves, directors, and significant developments, enabling investors to make ready appraisal of issues.

Copies of the 1950 edition are obtainable from The Financial Post, Maclean-Hunter Publishing Company Limited, 481 University Ave., Toronto. Price $2.

Molson's Brewery To Split Stock

MONTREAL (Staff)—Shareholders of Molson's Brewery Ltd. will be asked to approve a split of the no par value common stock into n.p.v. class "A" and n.p.v. class "B" shares at the annual meeting Dec. 15.

There are now 750,000 common shares outstanding out of an authorized 1,000,000 shares. If the new plan is approved, holders of the old common will receive one class "A" and one class "B" for each common share presently held. The new "A" stock will be perefential as to noncumulative dividends of 80 cents per share, and will participate equally with the "B" stock in any further dividends after 80 cents per share has been paid on the "B."

President H. W. Molson said the proposed change will not alter in any way the interest, rights or equity of any shareholders, but it is hoped that it will make possible a more widely held interest in the brewery without a change in control.

Regular dividends of $1 plus two extras totaling 75 cents per share have been paid on the common this year.

Regular Trips of CPA Start in North Quebec

MONTREAL (Staff) — Canadian Pacific Air Lines new service into Rouyn-Noranda was inaugurated last week following completion of a new 3,500-ft. landing strip there. A couple of weeks earlier, completion of a similar landing field at Val D'Or had made possible the first regular CPA service by land plane into that area by Northwestern Quebec.

New schedule calls for a daily (except Sunday) Quebec-Montreal-Val D'Or-Rouyn service in the morning, returning by the same route in the afternoon. CPA is using DC3 aircraft with special crosswind landing gear on this run.

What New Role For Canada In Atlantic Defense Program?

OTTAWA (Staff) — Discussions at Paris this week of the Atlantic Pact Defense Council may throw some light on the controversial question: What should Canada be spending for defense?

Unless something concrete is agreed to at the Paris conference, there cannot be yet any clarification as to precisely what Canada's role and contribution should be as a member of the Atlantic Pact.

One important question posed is: will Canada become the centre of a projected North Atlantic Pact Air Training Plan on the lines of the British Commonwealth Scheme in the last war?

This idea has been put forward in tentative form but no formal agreement has yet been discussed.

To date, the general Canadian approach to defense has been that we should take a "calculable risk" in our planning and defense spending to achieve the maximum effort toward isolating a threat to world peace wherever it should appear.

This policy has led us inevitably into membership in the Atlantic Pact. It has to some extent conditioned our so-called "home defense" program.

But it means also that it is not possible to separate these two parts of our defense effort; means some further adaptation, once the lines of Atlantic Pact policy are drawn; means recognition of the fact that Canada's important contribution to Atlantic defense will also be as a production centre for food, weapons, equipment, etc., apart from purely defense expenditure.

On the matter of our defense expenditures officials here take some exception to suggestions in a London far-left Socialist weekly that Canada is not bearing her full share of the burden of Commonwealth defense expenditures. The Canadian figure of 1.7% of national income is cited as being disproportionate when compared with 7% of the U.K. national income being spent on defense.

It's pointed out here that fairer comparison would be the expenditure by Canada of $32.44 per capita as against $42. for U.K. per

Canada's Merchant Fleet Sails In Troubled Waters

(Continued from page 1)

report to be "national security"; and the certainty that in time of emergency Canada would be at once called on for ships and personnel as happened in 1915 and 1940. (This is apart from special services like Canada-B.W.I., and tankers. These are put in a class by themselves.)

The report also points out the present disadvantage of continuing to operate the slower, less-efficient wartime vessels which comprise the bulk of Canada's dry-cargo fleet. It states the conclusion "that for many trades the standard war-built types now in operation are becoming inadequate. British and foreign cargo ships of postwar design are on the average one third faster, are equipped with more efficient cargo handling gear and are more economical to operate."

The report recommends that apart from special requirements of individual shipowners "we believe that the type of vessel most suitable for employment in our trade should have a service speed of at least 14½ knots and a capacity of 7,500 to 10,000 deadweight tons. It should be designed for the carriage of deck cargoes and have a reasonable amount of refrigerated space. It is also necessary to bear in mind the necessity of developing a design for vessels capable of being rapidly produced in Canada in time of war."

Pending settlement of a new dollar-sterling approach to Canada's merchant shipping problem, Transport Minister Chevrier has introduced into Parliament a long-awaited bill to increase depreciation allowances of Canadian operators. (The bill is being criticized as being at least a year or 18 months late; would have been useful when cargo-vessel operators were making profits; is of almost no value now except to coastal operators.)

The new act will apply only to new shipping or vessels on which work had been started before a date to be decided.

Briefly, these ships will be subject to a depreciation allowance which would allow the owner to write off the entire cost in three years. Where less than one third of the capital cost remains to be written off, this can be done in one year. The same three-year period of writing off cost will apply to conversions. In the case of new construction, the ship must be of Canadian construction and registry. In the case of conversion, it must be of Canadian registry.

The 33 1/3 depreciation allowance provides an exception to the new system of depreciation allowances provided in the amendments to the Income Tax Act before the House. In the case of sale of the ship, the difference between the proceeds and the capital cost still to be written off must be turned back into profit and loss account for computation of income tax unless these proceeds are being used for replacement of the vessel. If they are being used in this way and the Canadian Maritime Commission approves of the new purchases, they are exempt from this provision of the Income Tax Act. Where a converted vessel is sold, the Maritime Commission will determine the portion of the proceeds attributable to the conversion.

The new bill also provides for the establishment of a depreciation reserve to cover reconditioning or other work made necessary by the quadrennial survey required under the Canada Shipping Act.

Shipper's Views

MONTREAL (Staff) — Recommendations by the Canadian Maritime Commission that Canada's merchant fleet should be reduced, at the same time maintaining a nucleus of ships and shipbuilding facilities, has met with a large measure of approval among owners and shipbuilders here, as has the new depreciation proposal.

Without a definite government program which will provide a basic flow of shipbuilding business, some shipyards would be forced to shut down completely, one official stated. One of the greatest dangers, he said, was the loss to the industry of trained designers and skilled workmen.

On the other hand, if through subsidies and co-ordinated planning of government shipbuilding, enough business is available to keep needed shipyards going, to provide for possible emergencies, there will be a better chance of getting foreign business as well, he said.

At the moment, in view of devaluation, prospects of future sales in nondollar areas are discouraging, builders say.

Cargoes are still being offered in considerable volume, but shippers want to pay in sterling. And even if they can get dollars, competitive rates are so low that few Canadian ships can bid for the business.

Not Enough Girls To Go Round For Available Jobs In Offices

(Continued from page 1)

but the basic supply and demand picture will still be the same.

Speaking to the University of Toronto School of Nursing, Dr. Charlotte Whitton, one of Canada's leading welfare experts, stated the problem this way: "There simply are not enough girls and young women in Canada to do all the tasks a highly industrial and urban economy is asking of them."

She said Canada can only count on 250,000 girls over 16 going to school in any one year. Of these, 150,000 to 175,000 are needed for "marriage to retain anything like our present balance." Another 103,500, she estimated, are needed in their own homes, for household services in hotels, restaurants, etc., factories, offices, government work, trade and commerce, teaching, nursing, etc.

"Add it up and it's insoluble," she declared. "There just aren't enough women to go around."

Harassed employment managers might agree with her but they still had to get jobs filled somehow. They were trying to do it with wages at least double 1939 rates; shorter hours and benefits unheard of 10 years ago.

If they're lucky, they might get a young commercial school graduate for $25 a week. But not for long. A girl who graduated this year from a Toronto school, started with an insurance firm at $110 a month. Inside a week, she had quit to take a job at $165.

Another firm hired a girl at $1,500 a year. She stayed two weeks and landed a job in her home town as secretary to a judge at $2,400. These cases can be duplicated scores of times.

Aside from the basic supply problem there appear to be at least two secondary factors tending to aggravate the situation, say those involved:

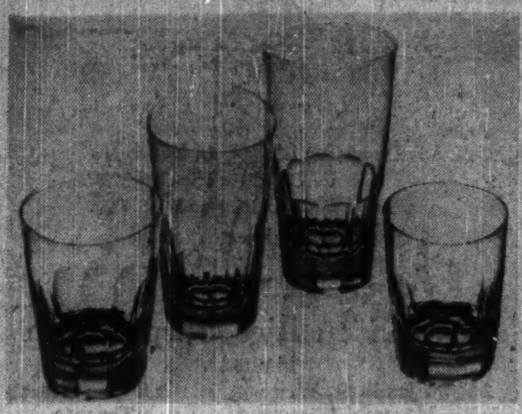
1. Bidding between firms with a flexible cost picture — those which can pass the cost of higher pay along to the consumer in the form of price increases—and firms with a relatively fixed revenue.

2. The casual independence of the girls themselves. Despite improved benefits, personnel people agree the only thing that today's crop of office workers are interested in next to getting married, is money.

Some girls are passing up good working conditions, pleasant fellow-workers and benefits such as pensions, hospitalization, medical care, etc., for higher pay even if it means factory work.

It all adds up into the biggest woman-power problem in Canada in a long time, admit worried employment staffs. A gal might be worried about getting a husband but she doesn't have to worry about getting a job.

GENIAL IS THE HOST



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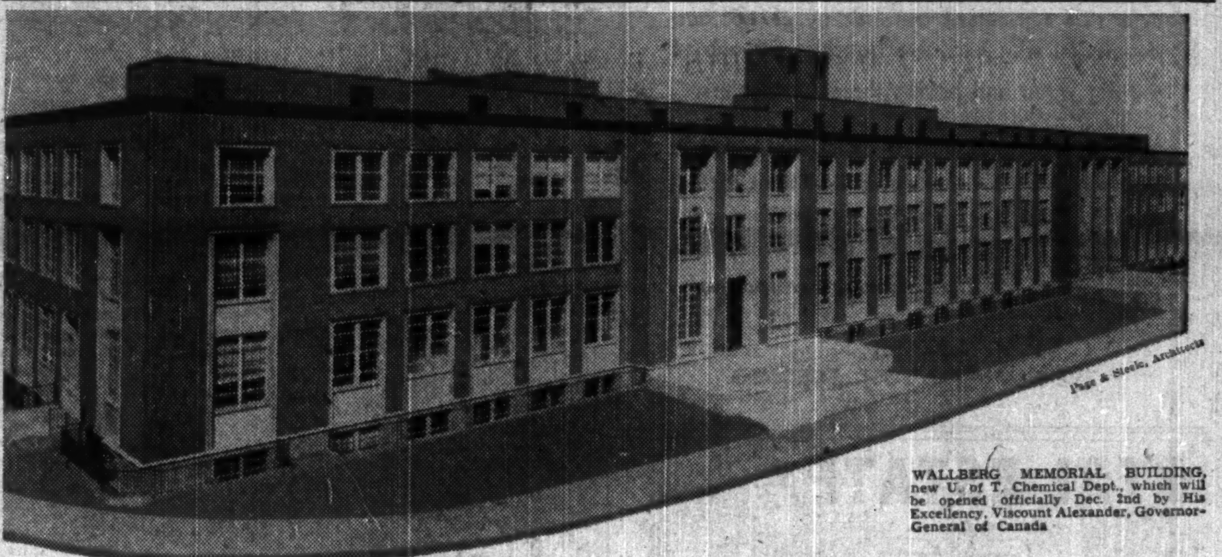
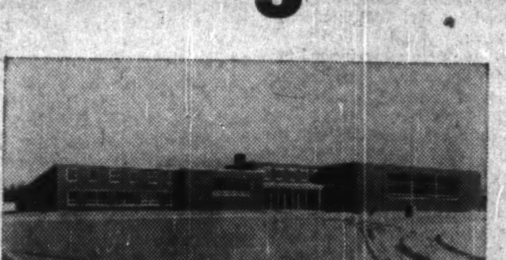
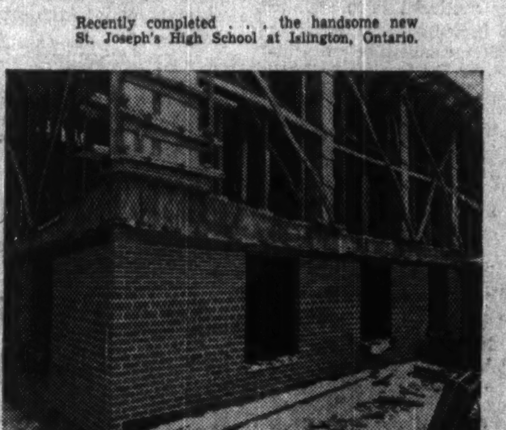


WALLBERG MEMORIAL BUILDING, new U. of T. Chemical Dept., which will be opened officially Dec. 2nd by His Excellency, Viscount Alexander, Governor-General of Canada

Building A Greater Canada



Recently completed . . . the handsome new St. Joseph's High School at Islington, Ontario.



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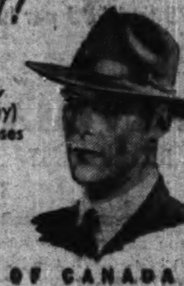

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INVESTMENTS THIS WEEK

Walker-Gooderham Com. Strong as Report Appears

Following publication last week of the annual report of Hiram Walker-Gooderham & Worts Ltd. for the year ending Aug. 31, 1949, its common stock featured the stock market by jumping over $3 a share to a new 1949 high of $37¼ a share in a market that seemed otherwise under mild selling pressure.

Early this week it sold back to $36 a share. At this price, the stock is 50% above its 1949 low of last June of $23¾ a share and nearly at its all-time high of $39¾ a share (based on 1946 high of $159 a share for the old stock).

Strength had been evident in the stock ever since the end of September (it was selling about $30 a share then). This was attributed partly to the indication of an increase in the annual dividend rate from $2 to $2.40 a share with the declaration of 60c a share quarterly dividend payable Dec. 15.

Trading volume for this stock has been higher than usual, with U. S. buying being a big factor, according to brokers. Three reasons are given for this buying:

(1) The yield obtainable on the stock. At $36 a share it would yield 6.67% on the basis of a $2.40 annual dividend. U. S. buyers also benefit from the premium on U. S. funds in purchasing.

(2) Its strong financial and competitive position.

(3) The big margin of earnings over dividends and the way in which earnings held up in the past year.

Although net profit for the 1948-49 year of $23,643,609 was down $1,226,903 from the previous year's net, $1,081,806 or 88.3% of the drop is accounted for by a special dividend received in the previous year from its subsidiary, Canadian Industrial Alcohol Co. As it was stated at the time that this was paid out of nonrecurring profits realized by the subsidiary, it was not expected to be repeated. So on the basis of actual operations, analysts see the 1948-49 drop in net as equal to only about 3½c a share.

With the total 1948-49 net equal to $8.19 a common share ($8.62 in previous year), Walker-Gooderham common is still selling under 4½ times these earnings. Further a $2.40 dividend rate is covered by 3.4 times.

Its current position was strengthened in the past year with working capital increasing $6.5 millions to $39,638,096 and quick assets being more than sufficient to cover current liabilities despite funded debt being cut $11,785,000 to amount to $16,776,000.

Inventories jumped another $12.4 millions to an all-time high of $84,883,067 at Aug. 31, 1949.

Investors were encouraged by the statement that "The program of building up whisky inventories that were reduced to sub-normal levels during the limited production war years has been completed and production is now on a replacement basis." On the other hand, they noted that President Howard R. Walton expects current years' profit per case in certain brands to be adversely affected by certain purchases of bulk whisky last year.

One of the big uncertainties for investors in a distilling company lies in the highly competitive nature of the business in the United States. Investors were somewhat reassured by Mr. Walton's statement that:

"We have now experienced two complete years under what might be termed normal competitive conditions within the distilled spirits industry in Canada and the United States. Judging from the results, it is evident that your company's brands rank high in popularity with consumers, which speaks well for our quality standards, marketing policies and advertising program.

"With larger quantities of whisky produced in the United States becoming four years old in 1950, competition in that market, by far the largest in the world, will undoubtedly grow more intense. It is logical to conclude that four-year-old straight whisky sales will account for a larger percentage of the total United States whisky market with this more abundant supply available, but from present indications blended whisky sales will still exceed prewar levels by a substantial margin."

Canadian shareholders now hold the largest block of shares of Hiram Walker-Gooderham & Worts owning 1,407,166 or 48.5% of the outstanding 2,896,016 shares at Aug. 31, 1949 (1,350,955 a year earlier). U. S. holders reduced their holdings to 1,362,931 shares or 47.1% of the total (1,410,220 shares a year before).

• • •

A. E. Ames & Co. Marks Its 60th Anniversary

Sixty years ago — on Dec. 1 1889 — A. E. Ames founded the business which today bears his name.

For the first few years the activities of the business were confined to the execution of stock exchange orders and the administration of a general financial business. The firm grew with Canada and with the later establishment of a bond department, it has provided a complete investment service to its clientele.

Contrasted with its modest beginning in a single office, the organization today has 15 offices in Canada, the United States and London, Eng.

Sixty years is not a long time in a nation's history, but for a business such a period is of significance in a country as young as Canada. Investment men everywhere will salute A. E. Ames & Co. on the occasion of this anniversary.

• • •

National Sewer Pipe Position is Stronger

The financial position of National Sewer Pipe Co. was further strengthened in the last fiscal year, the annual report for the fiscal year ending Oct. 31, 1949, which appeared last week, indicated.

The net profit of $177,126 was up 63.2% from the previous fiscal year and equivalent to earnings of $6.38 a class "A" share. Dividends paid in the fiscal year totaled $1.20 an "A" share.

Working capital was increased to $1,654,295 at Oct. 31, 1949, or the equivalent of $59.59 a class "A" share. Cash and investments totaled $1,670,516 or 87.3% of total current assets and were equivalent to $60.18 a class "A" share.

National Sewer Pipe Class "A" stock is currently quoted about $36¾ bid to $38¾ asked, with 25 shares having sold at $38 a share, last week, a new high since before 1932. At this price, the stock is selling about 36% less than the actual amount of working capital per share. Dividend arrears on the stock were $36.60 a share, cumulative dividends not having been paid from Dec. 15, 1933 to June 15, 1949.

Low market price in relation to working capital and to shareholders' claim on the company is due mainly to the company's failure to agree on a reorganization plan for this stock or to pay dividends on it. It is likely that shareholders will press President Ryland H. New for larger dividend payments in view of last year's earnings at the annual meeting this year. Unfortunately for them there was no provision made at the time of issuance for Class "A" shareholders to elect a majority of the directors if the stock went into arrears in dividends.

• • •

Inter. Paper Recognizes Shareholders' Sales Value

International Paper Co. recognizes the potential sales value of its shareholders and puts a personal note in its public relations. On what would otherwise be a blank page of its communication to shareholders calling a special meeting for Dec. 16 to approve a two-for-one split in its common stock, it states that:

"This proxy and proxy statement, and the envelope in which they were mailed to you, were all printed on paper manufactured by International Paper Co." It gives the type of paper used for each and the company's mill which produced it.

• • •

Position to Be Rectified For Can. Holders of US Stocks

Canadian shareholders of U. S. companies will not have to worry any more about changes in the stated capital of the U. S. companies if an amendment to the Income Tax Act now before the House of Commons is passed.

This amendment relieves residents of Canada from tax liability which would otherwise arise through the action of foreign corporations in winding up or on the redemption or conversion of common shares or capitalization of surplus. The non-resident corporation must have its shares listed on a recognized stock exchange and more than 50% of its voting share capital must belong to non-residents. The amendment will be applicable to the 1949 and subsequent taxation years.

This will rectify an unfair position in which Canadian shareholders of U. S. corporations have been placed, since, in certain circumstances, they could not stop U. S. corporations from capitalizing surplus.

CITY OF OTTAWA, Ont., is calling for tenders this week for sale of $2,242,300 serial debentures, to be dated Jan. 1, 1949. The issue consists of $650,000 2½'s 1-5 year serials; $383,000 2½%'s 1-10 year serials; $512,000 2¾%'s 1-10 year serials; $9,300 2¾%'s 1-15 year serials; $688,000 3¼% 11-20 year serial debentures. Proceeds are for an elevated water storage tank, constructing an addition to the Connaught Public School, construction of certain relief sewers, constructing and equipping a health centre; local improvements and erecting and

Only 39, Named Deputy Governor Bank of Canada

A 39-year-old ex-RCAF pilot, James Elliott Coyne, was this week named to succeed Donald Gordon as Deputy Governor of the Bank of Canada. A Rhodes Scholar, Coyne was born in Winnipeg and is the eldest son of Justice J. B. Coyne of the Manitoba Court of Appeals. He graduated from Manitoba University, studied law at Oxford and after practicing in Winnipeg for several years, got his foot on the bottom rung of the ladder which led to his present appointment; in 1938 he joined the Bank of Canada's research department.

His experience since then has been wide and varied but always within the realm of the Bank, the Foreign Exchange Control Board and WPTB of which he was Deputy Chairman. He was named executive assistant to the Bank Governors in 1944 and latterly had direction of the Bank's operations in the government securities market.

Hatch Estate Cuts Holdings Of Walker's

The estate of the late H. C. Hatch reduced its holdings of common shares of Hiram Walker-Gooderham & Worts Ltd. in the last fiscal year, according to a proxy statement sent shareholders for the annual meeting on Dec. 9. In the year to Oct. 1, 1949, the estate disposed of 31,020 shares, to reduce its total holdings from 84,500 shares to 53,480 shares, the proxy indicates.

This indication comes from a statement of shareholdings of H. Clifford Hatch, a director of Hiram Walker-Gooderham & Worts and vice-president of Hiram Walker & Sons Ltd. The proxy statement shows that as at Oct. 1, 1949, Mr. Hatch owned, directly or indirectly, 60,108 common shares of which 53,480 were held by an estate of which he is a beneficiary and 5,885 shares were held by a trust of which he is the sole life tenant.

Two other directors — E. D. Gooderham and Leigh M. McCarthy, both of Toronto — each increased his holdings by 200 shares to bring them to 7,700 shares and 1,000 shares respectively.

Holdings of the other directors remain the same as a year earlier, namely: Howard R. Walton, president, 4,000 shares; T. H. Gibbons, vice-president, 1,000 shares; B. E. Ford, vice-president, 3,200 shares; F. K. Morrow, 444 shares; J. F. Lash, K.C., 2,004 shares; George T. Chisholm, 3,000 shares; R. A. McKinley, 6,000 shares.

Gt. Lakes Paper Net Profit Off 19% In 9 Mos.

Net earnings of Great Lakes Paper Co. after provision for interest on funded debt, depreciation, pension fund, income taxes, etc., were $1,174,008 for the first nine months of 1949, Hon. W. Earl Rowe, president and managing director, reports. This is 19.1% lower than the corresponding 1948 net of $1,452,301.

The nine-month net is equivalent to earnings of $6.01 on the combined Class A and Class B shares and of $2.26 a common share as compared with $7.36 and $2.95 respectively for the first nine months of 1948 and with $10.15 and $4.06 for the whole year 1948.

The demand for unbleached sulphite pulp has lately shown some improvement but not in sufficient volume to permit capacity operation of the company's wood pulp division, Mr. Rowe states.

Newsprint operations, however, continue at full capacity and it is indicated they will continue at this level throughout the final quarter of the current year. With increased capacity for the newsprint production it is anticipated net earnings for the 12 months ended Dec. 31, 1949, will be at a satisfactory level, he adds.

The above figures are subject to adjustments arising from year-end audit.

Bathurst P&P Earnings Down

MONTREAL (Staff) — Bathurst Power & Paper Co. earnings for the nine months ended Sept. 30 were 2½% lower than a year ago, statement mailed to shareholders with their dividend cheques this week shows.

Estimated net profit for the period was $1,266,960 ($1,299,766 in the comparable 1948 period), equal to $3.17 ($3.25) per share on the 400,000 outstanding class "A" shares. After taking the participation feature into account, earnings amount to $2.45 ($2.50) on the class "A" and 95 cents ($1) on the class "B."

Current assets at Sept. 30 totaled $9,958,934 including $3,881,210 cash and marketable securities, President R. L. Weldon states. Current liabilities were $1,650,763, leaving working capital of $8,308,171 ($7,957,183).

In the nine-month period just ended, provision for depreciation and depletion increased to $495,095 ($477,982) as did tax provision ($882,460 vs. $845,139). Estimated net earnings before these two deductions were $22,000 higher at $2,644,515 ($2,622,887).

$250,000 Deal Gains Control Of Auto Fabric Products Co.

MONTREAL—(Staff) — Controlling interest of Auto Fabric Products Co. has been purchased by J. F. Ware and D. G. Scott, both of Montreal, it is announced. The transaction involved over $250,000, The Post is informed.

Control was purchased from Theodore F. Rose and Martin Taiger, former president and secretary-treasurer of the company respectively. Mr. Ware, president of Harvey E. Dodds, Ltd., local ski equipment manufacturers, becomes president of Auto Fabric. Mr. Scott, formerly vice-president in charge of sales has been appointed executive vice-president and general manager.

Other directors on the new board will include D. Stewart Patterson, vice-president St. Clair Holland, both of Montreal, who were on the old board, and L. F. Walker of Chatham. Resigning are T. F. Rose, M. Taiger and Lawrence Marks.

Operations in the third quarter have improved, and earnings in this period have been at levels higher than those in the first half this year, The Post is informed. Company plans to expand its sales staff and broaden its lines of products for the automotive industry. It is also considering the manufacture of some sporting goods.

Earlier this year, company reported that net profits were running at same level as in the latter part of 1948 when reduced by sharply rising costs despite a larger volume of sales.

Capitalization consists of 50,000 authorized, 25,000 issued 60 cents cumulative nonredeemable participating n.p.v. class "A" shares, and 200,000 authorized, 100,000 issued n.p.v. class "B" shares. Dividends have been paid regularly on the "A" and "B" at the rate of 15 cents and 10 cents quarterly. Participating dividends of 20 cents per share were paid on the class "A" April 1, 1949; 40 cents, 1948; 16 cents, 1949. "A" shares have been selling at around $7 per share, with the "B" $3¾-$4.

Milton Brick Co. Profits Rising

Earnings of Milton Brick Co. are expected to increase in the coming year, The Financial Post is informed.

The construction program is now completed and the increased earning potential is beginning to pay off, it is said. Production is being maintained at high level and demand for brick, now far ahead of capacity, shows no signs of diminishing. No further capital outlay for expansion is contemplated.

Net profit for the first eight months of the current year amounted to $13,981 as compared with $22,275 for all of 1948.

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ROYBAR URANIUM & GOLD MINES has received payment for Nov. 15 underwriting of 100,000 shares at 15c a share under agreement with Norwood Mining Syndicate. Issued capital is 3,258,005 shares, leaving 241,995 in treasury.

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New or almost new Crompton and Knowles W3, or W3 Convertible 82" between swords.

REPLY TO J. HEILPERN, 61 CALIXA LAVALLEE, QUEBEC, QUE.

'Sterling' is said to be a corruption of the name Easterling given a group of traders who settled in London circa 1300, whose coins were of uniformly high quality. Another theory attributes the word to 'steorra', a star, a symbol found on early Norman pennies.

Sterling

Barclays Bank (Canada), through its membership in the Barclays Group of Banks and experience of United Kingdom Exchange Control Regulations, is particularly well equipped to handle all banking transactions involving Sterling, and includes in its facilities a complete service in United Kingdom securities.

BARCLAYS BANK (CANADA)
A CANADIAN CHARTERED BANK
TORONTO MONTREAL VANCOUVER

The issue having been sold this advertisement appears as a matter of record only.

NEW ISSUE

$450,000
Sun Publishing Company Limited
4½% Sinking Fund Debentures
To be dated Nov. 1, 1949. To mature Nov. 1, 1969.
Price $100 and accrued interest to yield 4½%.

PURPOSE OF ISSUE

To provide funds, in part, for the purchase of a new 14 unit press and for construction of a new building to house this press; and to redeem $150,000 par value 4½% First Preferred now outstanding.

The Western City Company Limited
544 Howe Street, Vancouver, Canada

Pemberton & Son (Vancouver) Limited
418 Howe Street, Vancouver, Canada

MANAGED INVESTMENT

Acadia-Atlantic Bought Shawinigan Sold — MacNab

MacNab switches out of Shawinigan into Acadia Atlantic "A." He also sells $1,000 CNR 2⅞% bond and re-invests proceeds in $1,000 Canada Savings 2¾% bond. Valuation of account reached a new high on Nov. 15 of $18,136.51. MacNab at the time of preparing his report decided to defer selling more stocks until penetration of 190 level on Dow-Jones industrial average has been well established.

The MacNab Fund Transactions

Purchases

No. of Shares	Security	Price per sh.	Amount
25	Acadia Atlantic ..	$24½	$612.50†
$1,000	Can. Sav. 2¾%/59	$100	$1,000•

Sales

No. of Shares	Security	Price per sh.	Amount
25	Shaw. W. & P. ..	$24¾	$611.50†
$1,000	C.N.R. 2⅞% bd. .	$100½	$1,009.64*

†Transaction Nov. 21. •Transaction Nov. 19. *Interest from Sept. 15 to Nov. 15 equalled $4.64.

MacNab's Manager Says:

While the Dow-Jones industrial average has crossed 190, a subsequent reaction in the New York market brought the Averages below this point and I have decided to defer selling more stock until this point has been well established. Now that the steel strike has been settled, it would seem to indicate that the market would achieve some stability at this level.

Acadia Atlantic Sugar Refineries Ltd., is engaged in the refining and marketing of cane sugar in the Provinces of Ontario, Quebec, Nova Scotia and New Brunswick. Refineries are located at Woodside (near Halifax) and St. John, N.B. Capacity of the Woodside refinery is 1,250,000 lb. daily and St. John, 1,300,000 lb. The Woodside refinery has not operated since 1942 due to the shortage of raw sugar during the war.

Funded debt totals $4,250,000 of serial and sinking fund 1st mtge bonds, $3,000,000 of 5% preferred stock, 200,000 shares of cumulative participating no par value Class A shares and 100,000 shares common stock no par value.

It is obvious that there is a powerful leverage factor in both the Class A and common shares of this company. The Class A shares are entitled to a fixed cumulative annual dividend of $1 per share and participate with the common in the following manner: 1/3 of all net profits over $450,000 are set aside in a participating fund, from which a mandatory participating dividend is paid to Class A shareholders, in addition to the regular $1 dividend. The $450,000 requirement is made up of the 5% preferred dividend $150,000: the Class A dividend—$200,000 and the $1 per share set aside for the common. Participating dividends of $1.20 and $1.15 have been paid in 1948 and 1949, in addition to the regular cumulative $1 dividend. Earnings available for the Class A shares were increased from $1.37 to $5.09 in the 1947-1948 years respectively. Due to removal of sugar controls, which prohibited sugar companies from making large profits during the war, the industry is now operating on a more profitable basis, although some controls are maintained at the refinery level regarding sugar prices, which have been increased.

I have also sold $1,000 CNR 2⅞% bond due 1969 at $100½ and re-invested proceeds in $1,000 Canada Savings 2¾% bond due 1959. This transaction nets a profit on the bond sold, and the Canada Savings bond (maximum purchase of $1,000 is allowed) is redeemable at any time on demand and may be therefore considered in the light of a cash reserve bearing 2¾% interest.

During the past month I have made some changes in your common stocks as previously advised, and have added 50 shares B.C. Power Class A stock to your account. Stocks sold were 50 Hollinger and 50 Canadian Canners common. Profit of $150 in these two stocks has been credited to cash account.

Valuation of your investment account as at Nov. 15 is shown at $18,136.51, a new high valuation since the account was handed over to me for management on Dec. 15th, 1944 with a value of $10,000.

Your account is now invested in the following industries:

Public Utilities (17%)
50 B.C. Power A
25 Bell Telephone common
25 Shawinigan Water & Power common
Transportation (7%)
75 Canadian Pacific Railway
Mining & Smelting (18%)
20 Aluminium Ltd.
25 International Nickel
20 Noranda Mines
Steel (5%)
10 Steel Co. of Canada pfd.
Oil (6%)
50 Imperial Oil
Amusement (4%)
50 Famous Players
Pulp & Paper (3.5%)
15 Powell River
Beverages (3.5%)
30 Sick's Breweries
Summary
Common & preferred stocks 64%
Bonds & Cash 36%
100%

During the month, MacNab received $117.50 in dividends and interest and the monthly withdrawal of $40 was made for living expenses. Cash position as at Nov. 15 stood at $451.14.

The MacNab Account Now Stands

No. of Shares	Security	$ Cost per sh.	$ *Market per sh.
	Common Stocks		
20	Aluminium Ltd.	51½	55½
50	B. C. Power A	27½	27¾
25	Bell Telephone	41⅝	41
75	CPR	15¼	16⅛
50	Famous Players	14½	15¾
50	Imperial Oil	17¼	22½
25	Int. Nickel	34¾	33¼
20	Noranda	49	67
15	Powell River	37	43
25	Shawinigan	23½	24¼
30	Sick's Breweries	15¾	21
	Preferred Stocks		
10	Steel of Canada	86	96
	Bonds		
$1,000	Can. Sav. 2¾/56	100.00	100.00
$2,000	Can. Sav. 2¾/57	100.00	100.00
$1,000	Can. Sav. 2¾/58	100.00	100.00
$2,000	C.N.R. 2⅞/69	99⅝	100½
	Cash		$452.14
	Current market value of fund ..		$18,136.51
	Annual income (est.)		$806.00
	Average yield on original $10,000		8.00%

*As at Nov. 15.

APPOINTED DIRECTOR

Walsh Advertising Company Limited

GEORGE E. CROSS

The appointment of George E. Cross to the Board of Directors of Walsh Advertising Company Limited has been announced by W. George Akins, President. Manager of the Toronto Office for the past nine months, Mr. Cross joined the organization in 1948 following a successful career as advertising and merchandising director with several large Canadian manufacturers.

With extensive prior experience in the creative printing and advertising agency fields, Mr. Cross was appointed Advertising and Sales Promotion Manager by Canada Dry Ginger Ale Limited in 1939.

Prior to joining Walsh he was in charge of public relations, sales promotion and advertising activities for Moffats Limited, Weston, Ontario.

Mr. Cross has served on the Board of Directors of the Advertising and Sales Club of Toronto, and has held the offices of Vice-President and President of the Toronto Chapter of the American Marketing Association. For ten years he was an active member of the Association of Canadian Advertisers. *

The Capital Wire Cloth and Manufacturing Company Limited

NOTICE OF REDEMPTION TO THE HOLDERS OF CONVERTIBLE PREFERENCE SHARES WITHOUT ANY NOMINAL OR PAR VALUE OF THE CAPITAL STOCK OF THE CAPITAL WIRE CLOTH AND MANUFACTURING COMPANY LIMITED

NOTICE is hereby given that the Company intends to redeem and hereby calls for redemption on the 30th day of December, 1949, all of its outstanding convertible preference shares without any nominal or par value. The Company will pay to or to the order of the registered holders of such convertible preference shares $26.50 per share, Canadian Funds, together with an amount equal to all accumulated unpaid dividends on the said convertible preference shares, being 12½c. per share, upon presentation and surrender at the office of The Royal Trust Company, 128 Wellington St., in the City of Ottawa, of the certificates for such shares, properly endorsed by the registered holder. The regular quarterly dividend due 1st December to holders of record 12th November will be paid as usual.

NOTICE is further given that from and after the 30th day of December, 1949, the said shares shall cease to be entitled to dividends and the holders thereof shall not be entitled to any rights in respect thereof save only that of receiving the redemption price.

All of the cumulative redeemable preference shares held by the person to whom this notice is addressed are to be redeemed.

DATED 15th day of November, 1949.

The Capital Wire Cloth and Manufacturing Company Limited.

(Signed) R. J. SMALLIAN, Secretary.

As principals, we offer

IMPERIAL OIL LIMITED

3% Sinking Fund Debentures due December 15, 1969

Price: At the market to yield about 3.08%

Descriptive circular upon request

McLeod, Young, Weir & Company Limited

50 King Street West Toronto Telephone: Elgin 0161

276 St. James Street West Montreal Telephone: Harbour 4261

Offices at: Toronto, Hamilton, London, Ottawa, Montreal and New York. Correspondents in London, England.

Members of The Investment Dealers' Association of Canada.

Universal Cooler Pays $1,381,463 For Its Business

Universal Cooler Co. is paying a total purchase price of $1,381,463 for the business and assets of Universal Cooler Co. of Canada which it is acquiring from Daniel Robertson, its president, according to the prospectus covering the new issues of securities. (The Financial Post, Nov. 26) This price is payable $1,258,538 in cash and $122,925 by issue of 70,000 fully paid common shares.

Cash portion of the purchase price will be obtained: $270,000 from proceeds of sale of $300,000 first mortgage serial bonds, $202,500 from proceeds of sale $225,000 general mortgage sinking fund bonds, $150,000 from proceeds of sale of 1,500 preference shares, $50,000 from sale of 30,000 common shares, $374,334 from cash acquired by purchase of assets and $211,704 from a bank loan, the prospectus shows.

India Squeeze Play Hits Makers of Burlap Bags

The struggle for Canada's $50-millions-a-year "gunny sack" market has taken a strange international twist. Because India has devalued her currency and Pakistan hasn't, Canada is running critically short of burlap for bags and upholstery.

With their overseas burlap supplies cut off, bag manufacturers see early likelihood of more of their traditional markets, such as the fertilizer, feed, salt, potato industries, deserting to the camp of their competitors—the cotton and particularly the booming multiwall paper bag industry.

Here's what the latest move means to the bag makers:

Canada depends almost 100% on India for her burlap; last year she imported almost 111 million yards of it from that source at a cost of over $17 millions.

But India in turn depends on what is now Pakistan for the raw jute with which to make the burlap. In the round of devaluation moves two months ago, India slashed the value of her rupee by 30% but Pakistan decided to sit pat. As a result, price of jute to the Indian mills automatically rose some 44%.

The mill owners refused to pay the higher price and the Indian government has slapped a ceiling of 9c a lb. on the jute. Pakistan authorities have refused to sell for less than 11½c. No business is being done and Canadian importers are being caught in the squeeze play. A recent barter deal whereby India exchanged burlap for Argentina wheat has considerably worsened the situation by pretty well cleaning up all available supplies of the scarce commodity in the country.

Burlap bag manufacturers are staggered by this latest blow. Things started to turn against them early in the war when their raw material supply was shut off. Later skyrocketing burlap prices boosted price of their burlap bag to as high as 25c a piece (was 6c prewar) and at the same time lopped off a sizeable portion of their former market.

Today the multiwall paper bag sells for less than half the price of the comparable size burlap product. Annual production has zoomed to an estimated 160-180 million bags and such lucrative products as salt, feed, flour fertilizer, asbestos, potatoes are being transported by the paper bag. A trend of the times: two of the largest burlap bag manufacturers in the country have just recently gone into the multiwall paper bag field in order to maintain sales volume.

Although burlap bag production reached a new high in 1947 of 8,419,712 dozen, it has been on the downturn ever since. Imports of burlap in the first nine months of the current year only amounted to 58,688,044 yards (there won't be much more during the remainder of the year) as against a total of 113.9 million yards for all of 1948 and 154 million yards for 1947.

At the same time production of multiwall paper bags has been expanding at a fast and steady pace with sales further improving this year.

Int. Hydro-Electric to Buy 53,415 N.E.E.S. Common Shs.

Application of the International Hydro-Electric System by its trustee, B. A. Brickley, to purchase 53,415 additional common shares of New England Electric System has been approved by the U. S. Securities & Exchange Commission. The purchase is pursuant to a subscription offer, which will expire on Dec. 5, whereunder New England Electric System offered holders of its common the right to subscribe for additional shares on the basis of one additional share for each 10 shares held of record Nov. 17.

International Hydro - Electric System now holds 534,157 shares of N.E.E.S. common stock. The trustee proposed to exercise the rights to subscribe for 53,415 additional shares and to sell the right to subscribe for 0.7 share.

The trustee stated that he deems it advisable to acquire the additional N.E.E.S. shares, among other reasons, in order to protect the substantial investment which I.H.E.S. now holds in N.E.E.S. He pointed out that the proposed issue of common stock by N.E.E.S. is necessary to enable that system to continue its large construction program on a sound financial schedule; he expressed the opinion that the exercise of the subscription rights by I.H.E.S. will materially assist the success of such financing and that, in view of the present market price of N.E.E.S. shares and the benefits which he expects to flow from the successful marketing of the N.E.E.S. issue, it will be in the best interests of security holders of I.H.E.S. to acquire the additional shares.

The trustee was also of the opinion that such acquisition would have no adverse effect on the progress of pending proceedings for the liquidation and dissolution of I.H.E.S. but would serve to safeguard the system's existing investment in N.E.E.S. stock and provide some additional income.

A cash forecast filed by the trustee indicated that I.H.E.S. will have sufficient funds to exercise the subscription rights and also to make a further payment of $65 on principal amount of each of the outstanding debentures on the next interest date (April 1, 1950).

Conflicting opinions were expressed by the representatives of I.H.E.S. security holders. After considering all the various contentions the S.E.C. concluded that the proposed acquisition would neither delay or complicate the proceedings with respect to I.H.E.S. or the consummation of the program to bring its system into conformity with Section 11 of the Public Utility Holding Company Act of 1935.

Stock Yields Show 5.92% on Average

The average yield on 112 dividend paying stocks on the Toronto Stock Exchange, as compiled by Moss, Lawson & Co. on prices of Nov, 28, was 5.92%, unchanged from the previous week. This compares with 5.87% one month ago and 5.86% a year before.

The yield on mining stocks was 5.76% (5.79% a week before, 5.70% last month and 6.57% a year ago).

Preferred and "A" stocks yield was 6.05% (6.08%, 6.18% and 5.69% respectively).

Common stocks yielded 6.26%, (6.29%, 6.13% and 5.87% respectively).

The bank stock group was unchanged from the previous week at 3.72% (3.73% a month before and 3.97% a year earlier).

Interest Payment For Clarendon Apartments

Holders of the Clarendon Apartments Ltd. 7% first mortgage (closed) sinking fund bonds due Dec. 15, 1946, have been advised that a payment on account of interest will be made on Dec. 15 on the basis of $17.50 per $1,000 bond. This will be applied as a final payment on coupon No. 22 due Dec. 15, 1937.

"Net earnings from your property during the past year or two have been slightly in excess of the 3½% annual interest payments which have been made in this period," Royal Trust Co. advise. "As a result there is now some surplus cash in our hands which we anticipate will be increased in the next six months to the extent that we will be in a position to pay a full coupon on June 15, 1950."

TOWNSHIP OF ETOBICOKE, Ont. new issue of $927,950 1-20 year 3½% serial debentures has been sold to a syndicate consisting of Wood, Gundy & Co., Burns Bros. & Denton, Fairclough & Co., J. L. Graham & Co. and the Royal Bank at a price of $100.589 or a cost to the municipality of 3.43%. Proceeds are for local improvements, public school additions and hydro-electric.

1949 Seen A Good Year By Banker, Outlook Mixed

The past year has been one of steady achievement and prosperity, better on the whole than had been expected, Chairman R. S. Waldie told the Imperial Bank of Canada annual meeting in Toronto

By R. S. WALDIE

On the whole, the year since our last annual meeting has been one of surprising stability. The very large investment in factories, machines, houses and services, which has been so great a factor in creating active business conditions since the war, has been fully maintained and even extended.

In comparison with the previous year, there has been less investment in manufacturing plants and more in public utilities and housing. Our exports, which were expected to be under some pressure, have in total held up well. There has been some decline in particular products but, as regards markets, only that of Continental Europe has as yet shown a pronounced drop.

Wages have risen but less than in previous years. While there has been some slight fall in prices, they have, on the whole, been remarkably steady. Unemployment has been somewhat higher but it has been chiefly seasonal unemployment and its relative size has been small.

One of the most helpful developments in the past year . . . has been the extension of oil discoveries in the West.

Other domestic factors, influencing the level of business, also promise well for the future . . . Notwithstanding variations among particular groups, there is in total ample income in the hands of consumers to maintain a high level of purchasing.

We may expect, particularly in the larger urban communities, continued large expenditures to provide services to larger and more actively engaged populations. Transportation and public utilities, water and sewage installations, schools, hospital and other health services still represent a considerable backlog of expenditure . . .

In housing, about 100,000 units will have been completed by the end of the year. For the first time since the war more units have been built than there were new families to occupy them and we had reduced somewhat the backlog. We may expect house construction to be active in the coming year but the problem of costs is serious. Houses produced by the speculative builder are not selling as rapidly as before. Many people are paying rents or debt charges which are too high for their incomes. While a housing slump is not immediately in prospect, demand will soon be choked off unless substantial reductions in construction costs can be achieved.

If we look at our internal situation only, we must conclude that the outlook for business activity is favorable. We can never forget, however, the degree to which our economic well-being is dependent on our external trade.

When we look abroad we can see serious difficulties which may beset our path in the future.

Firstly, the recession in the United States, which was so frequently predicted over so long a period finally took shape during the past year. Business has been so active in Canada that perhaps insufficient attention has been given to conditions about which so much has been said in advance.

These changes do not in themselves represent a serious recession, certainly not if we have already seen the full extent of it. But, they have not been without their effects on this country. Two years ago United States wholesale prices, in comparison with prewar levels were 18% higher than Canadian prices. Now United States prices are slightly lower than ours. This reversal has occasioned some difficulty in maintaining our exports to the United States. It has meant also that there has been some increase in imports which have been priced more attractively than our own production . . .

Whether the recession in the United States has run its course, it is difficult to say. There has been some revival in the late summer and fall but there are also some signs that the revival is losing strength.

Whatever the future course may be and despite the temporary advantage given by the devaluation of our dollar, it will be well for all Canadian businesses to watch carefully their position in relation to competition from the United States.

The second external situation which profoundly affects the future of this country is that which recently gave rise to the drastic devaluation of sterling and many other currencies. In its immediate causes, it was related to the business recession in the United States. Purchases of raw materials by the United States from the sterling area, particularly rubber and tin, declined sharply, and sales of the United Kingdom manufactures in the United States also fell off. The sterling area was simply one of the victims of the general slow-up in purchasing occasioned by the desire to reduce inventories. When it appeared that the pound was in danger, there occurred, of course, a secondary postponement of purchasing which made devaluation inevitable.

Behind these immediate circumstances, lay the fact that sterling prices were out of line with North American prices . . .

Canada's devaluation is an incident in this larger background. Opinions concerning it may differ . . . The sterling devaluation, if untempered by our own, would have greatly increased the cost of imports from Canada in all parts of the sterling area. The change in the exchange rate gives an incentive to increase our exports to the United States and diminish our imports from that country which should be helpful to our balance of payments.

The immediate crisis has subsided. The fundamental question still remains. There must be, over the next few years, a great readjustment in world trade. If Europe is to earn her living she must sell much more to North America. But, is North America willing to accept the increase in imports which will be necessary if the United Kingdom and Europe are to succeed in balancing their accounts?

Peacock Brothers Control Changed

The balance of the capital stock of Peacock Brothers Ltd., engineers and manufacturers of Montreal, was acquired in July, 1949, by Messrs. John Bryson, F. R. McDonald, W. P. Ferguson, A. E. Patterson and F. A. Lucas, all of whom are directors, it is announced. They now own all the outstanding shares. The transfer was handled through Milner, Spence & Co., Toronto, and did not involve public financing.

The transfer of ownership will not affect in any way the policy of the company or the conduct of its business.

Capitalization outstanding consists of $180,000 10 year serial bonds and 70,800 no par value common shares.

Verney Corp. Sales Climb

MONTREAL (Staff) — Operations of Verney Corp. of Canada have returned to a profitable basis over the past few months, President Gilbert Verney reports. Company showed a loss of $55,402 for the period Jan. 1-June 16 after a write-down of inventories early this year.

Increased demand, general revamping of personnel and alterations in policy have resulted in much improved sales of the company's products, the president stated. Company has many new customers and is now in the process of securing much wider distribution.

Plant at Granby, Que., is now operating almost at full capacity, doubling output of earlier in the year. Twenty-four new looms are being installed, six of which are in operation. These will replace older, small width high-cost looms diverted for work on special products, Mr. Verney said.

Directors have declared regular quarterly dividend of 56c on the $50 par preferred stock, payable Jan. 1 to shareholders of record Dec. 15. Financial statement for 1949 is expected to show 1949 dividends not fully earned, but the improved showing over the past few months is expected to continue, it is stated.

After write-down of inventories earlier in the year, together with construction of an additional building to house inventories, purchase of new looms, and payment of preferred sinking fund and dividends, working capital is likely to be down from previous year end. However, there is still a substantial amount of undistributed profits available, statement adds.

When the present improvement program is completed, company's plant will have approximately 220 looms, of which over 190 are operating at the present time.

Sales in the first half of the year were adversely affected by the marked decline in prices of comparable U. S. fabrics, which permitted higher level of imports under quota. However, reimposition of full tariff July 1, higher U. S. prices and Canadian dollar devaluation are understood to have helped the picture.

Redeem Quebec P & P Preferred Shares

MONTREAL (Staff) — Preferred shareholders of Quebec Pulp & Paper Corp. have been notified that they can now turn in their share certificates to receive the $23 per share provided for under the terms of sale of the bankrupt company to the Quebec Government.

Preferred shares have been removed from trading on the unlisted section of the Montreal Curb Market. Shareholders were instructed to mail certificates to Maurice Belanger, 71 Rue St. Pierre, Quebec City, before Jan. 1, to receive their cash payment. This is the only distribution to be made.

COMPANY REPORTS

CANADIAN CONSOLIDATED GRAIN CO. operations for the year ended July 31, 1949 resulted in a net loss of $21,336, compared with a net profit of $97,645 for the previous fiscal year. Working capital position was down to $770,791 ($815,016 at end of last fiscal period).

INCOME ACCOUNT

Years Ended July 31:	1949	1948
Net earnings	$149,826	$318,746
Less: Depreciation ...	142,924	138,139
Bond int. & exch. ..	28,238	30,462
Res. for taxes	....	52,500
Net prof. & surp.	*21,336	97,645
*Net loss and deficit.		
Times Bond Interest Earned:		
Before depr.	5.31	10.46
After depr.	0.24	5.93
Earnings per Share and Dividend Record:		
Pref.: Earned	$d1.07	$4.88
Common: Earned ..	d1.51	d0.32
None paid.		

CONDENSED BALANCE SHEET

As at July 31:	1949	1948
Cash	$105,385	$156,570
Accts., etc., rec.	64,429	31,361
Inventories	1,592,436	1,164,669
Total curr. assets ...	1,762,250	1,352,900
Def. chgs., etc.•	204,965	199,708
Invests., etc.†	168,867	154,830
Fixed assets*	1,668,158	1,684,685
Total assets	3,804,340	3,392,123
Bank loans	393,000	....
Accts., tax., etc., pay.	598,459	537,884
Total curr. liabs.	991,459	537,884
Funded debt	751,000	776,000
Capital stock	2,100,000	2,100,000
Ref. EPT	2,392	31,100
Deficit	40,611	52,861
†Market value	217,714	224,198
*After depr. of	2,203,832	2,087,497
•Incl. ref. EPT	2,392	31,100
Working capital	770,791	815,016

We, as principals, offer

IMPERIAL OIL LIMITED

3% SINKING FUND DEBENTURES

TO MATURE DECEMBER 15, 1969

PRICE: AT THE MARKET

BELL, GOUINLOCK & COMPANY LIMITED

ESTABLISHED 1920

MONTREAL TORONTO WINNIPEG

ANNOUNCE McLARENS APPOINTMENTS

ELMER R. FREEL

WILLIAM M. HATCH

Colonel H. C. Hatch, President of McLarens Limited, Hamilton, announces the appointment of Elmer R. Freel as Vice-President & General Manager, and William M. Hatch as Vice-President & Assistant General Manager. Mr. Freel has been General Manager since 1946. *

Government and Corporation Securities

WALWYN, FISHER & CO., Limited

19 RICHMOND STREET WEST, TORONTO 1, ONTARIO

TELEPHONE: ELGIN 1131

I.T.I. Inc.

CONSULTING SERVICE IN FOREIGN TRADE

Sole agencies offered, Patents & Mfg. Rights, Export-Import enquiries, Publicity Service, Speedy contact between I.T. Representatives in 30 countries.

Suite 310, 1010 St. Catherine St. W., Montreal, P.Q.

WANTED

COMPLETE MODERN MILL EQUIPMENT

for the manufacture of worsted cloth. Up to 30 Crompton & Knowles automatic looms, warping, winding and auxiliary machinery.

REPLY TO M. MOSS, 1435 ST. ALEXANDER ST., ROOM 1050, MONTREAL, QUEBEC

SALES SERVICES AVAILABLE

Manufacturer with Regular Sales Coverage of Ontario Retail Hardware Trade will take on Companion Lines on a Jobbing Basis.

If your Line dies not justify The Cost of Full Time Salesmen we might be of Mutual Assistance.

BOX 349, THE FINANCIAL POST, TORONTO

WANTED TO PURCHASE

Established manufacturing business making products in steady demand. The business required should show good profits, or have substantial earning possibilities, if provided with competent management and ample working capital. Our client, a successful American market analyst and sales manager, would consider an investment up to $300,000, although a smaller proposition with prospects of growth would also be suitable. A prompt decision will be given to any proposal made.

NORMAN BROOKE, Manager

INDUSTRIAL DEPARTMENT — GUARDIAN TRUST CO. MONTREAL

Consult us in confidence for business opportunities, whether as buyer, or seller.

WANTED: SALES MANAGER

Toronto office of internationally-known manufacturer wants aggressive Sales Manager with practical experience in Home Appliance field, proven ability in organizing sales through Distributors, Dealers, Mail Order Houses, and thorough knowledge of advertising and sales promotion. Only fully qualified executive, age 35-45, need apply. Salary open.

Box No. 347

THE FINANCIAL POST, TORONTO

Challenge for Businessmen

"Economic freedom without a large measure of security for the individual is no longer acceptable to most Canadians. This being the case, it seems clear to me that businessmen must decide very soon whether they want a welfare state such as the Socialists advocate, and which can lead only to dictatorial power in the hands of a few, or whether businessmen large and small will meet these new responsibilities."

That was the heart of a most important and significant public statement made by Edgar Burton, president of Simpson's Ltd.

Very bluntly, Mr. Burton told his audience (the Toronto Board of Trade Club) that if business doesn't provide a large measure of social security, then government will.

But Mr. Burton, very properly, regards this with apprehension:

"The more we ask from government, the more powers we must give to government. It is definitely the pathway to rule by compulsion. It is a sure means of getting not more, but less democracy; not a higher but almost certainly a lower standard of living for all."

What can businessmen do?

Mr. Burton suggests that businessmen must make determined efforts to stabilize employment that they must assist in underwriting retirement security, that they give opportunities for profit sharing; that they conduct business affairs "so that the individual employee is able to identify his own future more closely with the success of the business for which he works."

That, says Mr. Burton, is "perhaps the greatest challenge to industry today. Welfare enterprise should not be approached by businessmen grudgingly, or as charity with no return. But it should be undertaken positively—the best investment in the world."

Can business find the money to do so? Business, says Mr. Burton, has found answers to many more difficult problems. It can solve this one too.

"But perhaps the most important basic need of the worker today is the recognition that he is an individual . . . . An employee must never be regarded as a statistic in a wage office or a percentage in a cost sheet . . . . Little will be accomplished in bridging the gap between management and the individual by such techniques as company magazines, public address systems, rest homes, staff meetings and human relations counsellors, unless the manager and foreman of every department considers himself first and foremost a personnel officer."

Mr. Burton's ideas will find very wide agreement among Canadian business leaders. It is to be hoped more of them will have Mr. Burton's courage in standing up and declaring in public their beliefs and the high goals which they have set themselves.

The worker, too has an important role to play in making these things possible. By greater productivity, by the elimination of every suggestion of featherbedding he can make a substantial contribution to lowering costs and thus making more real profit available to provide for his own security.

U. K. Industry Willing to Learn

The "productivity teams" sent out from Britain to study production methods in United States plants are producing some first class reports. These are widely circulated in British plants and many of the advanced methods, discovered on these tours, will be adopted.

One feature that lends acceptance to these studies (which are made under the auspices of the Anglo-American Council of Productivity) is the fact that the teams always include workers off the floor, foremen and supervisors. The workingmen have faith in them because their own chaps have been taken along.

Not all companies are waiting for reports of industry teams. One large electrical and automobile accessory firm in the Midlands has had 83 of its own men in the U. S. and Canada since the war, picking up ideas as to the latest production techniques.

The charge, so often laid against British industry, that it will not adapt itself to new ideas and adopt new techniques is one of those sweeping generalities that is not justified in fact. It applies to only a limited number of British businessmen.

Sensible Proposal

After their experience this year, most people will say, "it's about time," when they hear of a bill now before the Senate. This would have daylight saving start and end on the same day and hour throughout the country and also have the railways conform to the general practice established.

The bill is sponsored by Senator Euler. It's to be hoped that it receives more prompt and favorable attention than did his repeated motions to lift the ban on margarine.

If one had set out deliberately to create the most confusion he would have to be pretty smart to give us something more complicated than the present arrangement. Some parts of the country did not have daylight saving at all this summer; some started much earlier than others. When it came to ending the measure there was the same lack of uniformity. Most places were through months ago but a few cities in Ontario carried on until last week end.

During the war, daylight saving came into effect all over Canada at the same time and it also ended on a uniform date. Surely what ever authorities are necessary can get together and work out a similar sensible arrangement for peacetime.

B.C. Wheat and Prairie Apples

From what is little more than a garden plot in a sheltered B. C. valley came the wheat which swept the boards both at the Toronto Royal and the Chicago International this fall.

In the sporting world that would be like a hockey team from Mexico carrying off the Stanley Cup. With hockey we might dismiss such a thing as a freak. But not this wheat win, because the exhibitor, Mrs. Amy Grace Kelsey, did the same thing before and at both shows.

In repeating her performance Mrs. Kelsey has proved that, so far as wheat is concerned, there is a very wide gulf indeed between practical agriculture and the two major agricultural exhibitions of the continent. By no stretch of the imagination can the valleys of British Columbia be considered first-class, hard wheat country. They are no more that than are the prairies of Alberta, Saskatchewan and Manitoba the best places in Canada to grow apples.

If the Royal Winter Fair and the Chicago International are unable to devise wheat classes that really reflect the best in commercial production then they better forget all about the business of wheat kings and wheat queens. If they don't some chap with a green house and lots of coal "up" in Baffin Land will be carrying off the trophy.

Try Again, Mr. Abbott

Finance Minister Abbott has demonstrated that his conscience is very properly hurting him on tax-free federal property in municipalities.

But we don't think much of his scheme for a system of grants based on a very complex formula and one open to the greatest confusion.

What the Government should have done was to tackle this whole mess and get down to work on a sound solution. All federal and provincial government property should pay to the municipalities the same rate of tax as if the property were being used for commercial purposes.

It is a fundamental principle of sound tax system that government costs should be levied on the proper taxpayer. This thoroughly vicious, if long-established, principle of tax-free government property, taxes the Brandon taxpayer for charges which are properly the burden of the Manitoban or the Canadian.

This is merely hidden subsidy, and hidden subsidy anywhere is completely noxious.

Furthermore, because some municipalities have a lot of government buildings and others little, we have here a serious cause of inequity.

In recent years, under pressure, a few public bodies (Toronto Transportation System and Toronto Hydro-Electric are examples) have made some grant to their city in lieu of taxes. What relation the size of that grant is in relation to the taxes that would be paid on an ordinary commercial basis is not revealed.

But no sound system of municipal budgeting or of costing by either Dominion or provincial governments is possible so long as this miserable system continues.

It is admitted that Mr. Abbott is now making a start. But he's taking the long and rocky road to the place we want eventually to get.

Hail, The Innovator

At last somebody's done something about it.

We're referring to office furniture, the stuff we spend so much of our lives with.

The something really new is the creation of E. I. duPont de Nemours & Co. It's movable L-shaped desks with attached partitions.

The conventional desk and table arrangement with one filing cabinet, one bookcase and one chair for visitors eats up 80 sq. ft. of floor space, without counting aisles and partitions—and it looks pretty horrible.

The duPont design provides all the same facilities in 65 sq. ft.

A big advantage is in getting rid of semi-permanent partitions which inevitably lead to space wasting, and in giving a much larger number of workers the advantages of privacy.

We hail the innovator. There doesn't seem to have been one in the field for quite some time.

GM Workers Pay Big Price

The dangerously monopolistic character of some labor unions with their growing power of life and death over segments of industry and communities was never more evident than in the recent Oshawa General Motors strike.

Oshawa is virtually a one-industry town. Shut down GM and you shut down Oshawa. That's just what the CIO Auto Worker's union did five weeks ago.

It was not a question of principle or wages. The actual terms of settlement make it strikingly clear that there were no issues at all. The strike should never have been called.

But some local union officials thought differently. Without regard for consequences they called out the workers. Like sheep those same 5,000 workers first voted to support the strike, then later to end it. In the meantime they lost $1 millions in wages with Christmas just a few weeks away.

This glaring piece of union irresponsibility tied up a whole community, cost the major Oshawa industry and major employer a lot of cancelled orders.

Why should an industry which had done nothing wrong as proved by the terms of agreement, be shut down at the wish of some politically-minded union bigwig or on some trumped up charge such as speedup?

Suppose GM or some other firm decided it didn't like the way the union ran things and closed the plant. Labor would certainly scream. Yet every day labor holds this club of monopoly over management's head and too often, uses it with complete and utter disregard of its effects on innocent bystanders.

Too Many Hunting Accidents

Perhaps there were more hunters in the woods this year or perhaps there was more carelessness. At any rate casualties must have been the heaviest on record and most of them were fatal.

Now in these times of too much regimentation already one hesitates to suggest even a possibility of more. But certainly if this year is an indication, hunting is rapidly becoming a mighty dangerous sport and not only for the hunters but for the innocent bystanders, too.

It is quite obvious that too many people are going into the woods with little idea of the power and range of the weapons they carry and also of the actual appearance of the game they hope to bring down. Time and again they admit firing at anything that moves or anything they think has moved. Even at distances of well over a mile a bullet from an average hunting rifle can kill or maim.

If all hunters kept these facts firmly and continuously in mind there would be fewer accidents. If they don't, sooner or later they may expect an aroused public to step in and demand rigid curtailment of their sport.

Napier Moore's

Scratch Pad

ONE OF CANADA'S overseas trade commissioners, on a visit to Ottawa headquarters, dropped into the Chateau Laurier barber shop and ran into a friend who lives in the capital. The latter, with powers of deduction that would have been the envy of Sherlock Holmes, asked "Having a haircut?" The trade commissioner said he was, adding, "Isn't it a good idea?"

"It certainly is," said the Ottawa man. "We all get our hair cut at least once a week around here; otherwise people think we work for the Department of External Affairs."

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DURING THE PAST WEEK we have listened to half a dozen trans-Atlantic air travelers describe a recent English fog. It must have been quite a haze. A colleague of ours, arriving at London's airport, was "bumped off" a TCA plane as weight compensation for extra gasoline necessitated by high winds over the ocean. TCA booked him on a BOAC flight later the same day. He went back to town to wait. Then the fog settled down. At the appointed hour the bus groped its way back to the airport. There the passengers waited. At 8 pm they re-embarked on the bus and were taken to a hotel an hour away to spend the night. Early next morning they were inched back to the airport through even thicker fog. There, hour after hour, they hung around, being warned to stay within range of the loud speaker because the plane might take off at any minute. At 3 pm it was reported that the fog was lifting at Hurn, on the south coast, 80 miles away, and that passengers would be taken there. Back into the bus they got. For five hours they crawled through thick cream soup. The driver missed a turn. The bus stopped. It was alongside the "Queen Mary" at her dock in Southampton, 20 miles from Hurn. Finally the passengers got to Hurn. And there, in a cold, damp waiting room, they waited several hours before the plane at last departed.

Six people we know shared that experience. All were well aware that fog raises hob with airline arrangements; that safety is paramount. And they had high praise for the efficiency and courtesy shown aloft. What griped them was that throughout the endless hours of waiting they were repeatedly told that they would be off "in half an hour" or "any minute" and air station staffs aloofly gave no explanations, no information. They felt like a cargo of sheep.

We, too, have had the same feeling in a number of airports. It's the one phase of air travel wherein a lot of socks need to be pulled up.

• • •

WE MIGHT AS WELL clear our throat of all our travel beefs. Last July, CNR announced that as a result of successful experiments made on boat trains between Halifax and Montreal in the near future queues along passageways to dining cars on all CNR trains would be eliminated. The announcement said, "Sittings will be arranged prior to meal times and the passengers will have a choice of having lunch or dinner at the first, second, third or fourth sittings. Cards will be given the passengers indicating the sittings they have selected." Which is the British Railways method.

We wish they'd hurry up. A week ago, on the pool train from Montreal to Toronto, swaying, crunched and stepped on, we stood in line for at long, long time; got into the diner near Oshawa.

• • •

JOHN NESS, genial geologist of Imperial Oil (his Scottish burr could drill a well), gave the Business Paper Editors Association a grand talk on Canada's western oil developments. The figures he reeled off were of such dimensions that he said they reminded him of the small boy who came home from school in tears. To his father's questioning he replied that he had been punished. "What for?" asked the parent. Said the boy, "Remember I asked you last night how much a million dollars is?" The father said he did. "Well," sobbed the boy, "'a hell of a lot' isn't the right answer."

We got another laugh when Harry Weston, Consolidated Press, thanked Douglas Gibson, Bank of Nova Scotia economist, for his excellent address. He said that Gibson was vastly different to another economist he had listened to recently, who "left me very early in his talk."

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BOOKS IN REVIEW, a new Maclean-Hunter publication, out this week, asks who ever would be moved to send $500 to Kathleen Winsor on the strength of reading "Forever Amber"? Then it hastens to tell us that a U. S. businessman has sent a cheque, for that amount to Canadian Dr. Tom Cullen of Baltimore simply because he was impressed by the spirit of the man as revealed in Canadian Judith Robinson's excellent biography. He asked the doctor to donate it to any worthy cause of his own choice, and it is going into a Johns Hopkins endowment fund.

Stop Me If—

Passenger: What's the best thing to eat on shipboard?

Ship's Captain: Raspberry jam. It tastes the same both ways.

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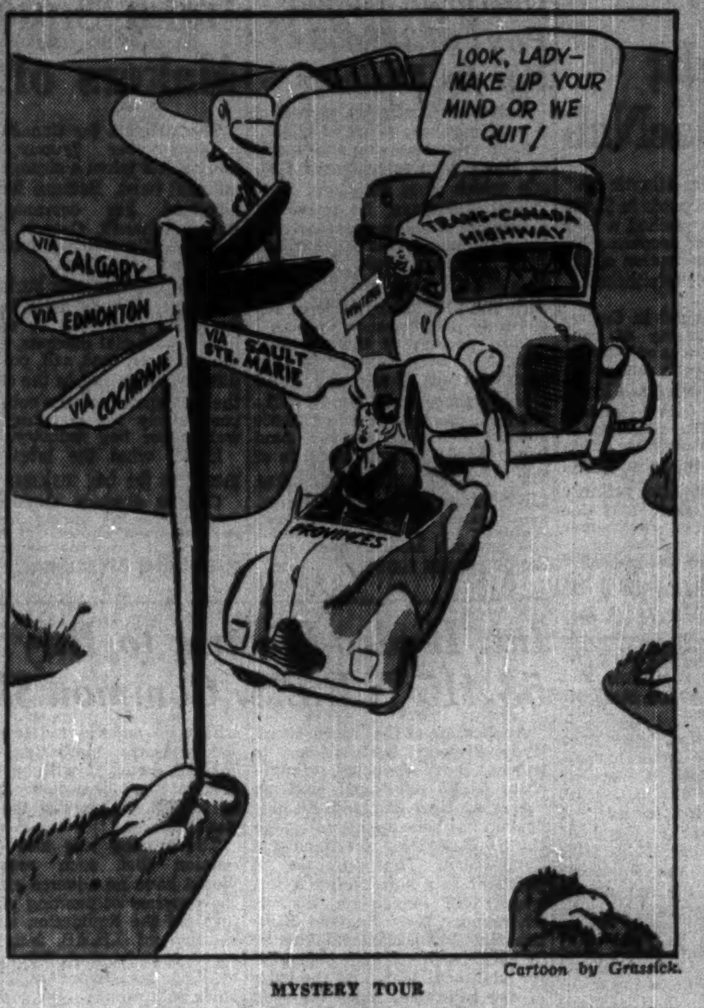
Diner—"Waiter, the portions seem to have got a lot smaller lately."

Waiter—"Just an optical illusion, sir. Now that the restaurant has been enlarged, they look smaller—that's all."

• • •

Pat determined to pass his favorite saloon on his way home. As he approached it he became somewhat shaky, but plucking up courage, he passed it. Then, after going about 50 yards, he turned, saying to himself: "Well done, Pat, me boy. Come back and I'll treat ye."



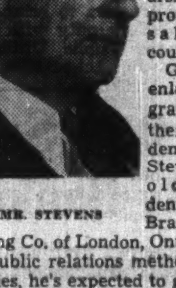
Cartoon by Grassick.

MYSTERY TOUR

Post Scripts

Wanted to be a Lawyer..

At their 17th annual general meeting this year members of the Canadian Institute of Plumbing and Heating approved an expanded national program of public relations and sales promotion for the industry, including publicity, films, advertising, scholarships, sales promotion and sales training courses.



MR. STEVENS

Guiding this enlarged program will be their new president, Jack H. Stevens, 53-year-old vice-president of Empire Brass Manufacturing Co. of London, Ont. Well versed in public relations methods and techniques, he's expected to give the Institute's new drive added oomph.

Jack Stevens started out originally to be a lawyer in his home town—Winnipeg—after the first world war. He had joined the army as a private in the 61st Infantry Battalion in 1915, went overseas with the Royal Canadian Regiment and was seriously wounded in France at the Somme in 1916. He was invalided back to England and finally discharged in September, 1918, whereupon he entered Manitoba law school.

After a couple of years, however, he went to work for Empire Brass and has been there ever since. He was made secretary of the company in 1930, become vice-president in 1947.

One of his two sons, Robert, 22, is taking up where his father first left off and is studying law at Osgoode Hall in Toronto. John, 25, is in mechanical engineering at Queen's.

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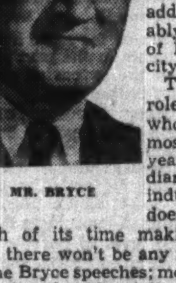
Hardrock Graduate

Next week, big, bluff Robert Alexander Bryce will make his speaking debut in Manitoba in his new job as president of the Canadian Chamber of Commerce. Before his 12-month term is finished he'll have traveled many thousands of miles from coast to coast; addressed probably hundreds of local and big city groups.



MR. BRYCE

This is a new role for a man who has spent most of his 68 years in Canadian mining—an industry that doesn't spend much of its time making speeches. And there won't be any fancy oratory in the Bryce speeches; mostly straight-from-the-shoulder talk from a man who has grown up with one of Canada's great natural resource industries and who sees Canada and Canada's growth in terms of hardrock mineral development.

President Bryce's father was a Scotsman, Alexander Bryce, who ran his own lumber business in the Muskoka-Madoc area in central Ontario. Alexander Bryce died at age 37 in 1890 and "Big Bob" left high school to work in the repair pits of the old Toronto Street Railway. He went to Technical School at night; got enough education to enter university in engineering. During the summer he wandered far afield—surveying in the West, working in Glace Bay, Oregon. Finally on graduation he got a job as a helper on the famous McAdoo Tunnel—the first attempt to drive a tunnel for New Yorkers under the Hudson River.

After a spell of gold mining in Mexico, Bryce drifted up to Cobalt in 1907 at the Silver Queen mine in the days when good mining engineers were scarce. He stayed till 1910, then went to the Silver Cliff Mine in Colorado. Two years later he came back to Canada to set up his own consulting business—chiefly seeking new prospects for established mining companies. He also took some time off to look for a good mine for himself.

He finally got an option on the Kirkland Elliott property adjoining Teck-Hughes, added some claims on the west. In 1927-28, raised money to finance this property as Macassa Mines which he has headed since its inception and which came into production in 1933. Macassa has produced $27 millions of gold since then; has paid out $8 millions in dividends. In order to finance and bring into production a new subsidiary, Renabie Mines, for a while Macassa stopped paying dividends but it is resuming again this month.

Bob Bryce is a widower. He married Edna Baxter (cousin of Beverley Baxter) in 1908. She was a gold medallist in English and History. There are three children. The youngest son (John B.) spent most of the war period at Gibraltar as one of the engineers who executed the famous tunneling operation. He is presently an engineer at Macassa. The elder boy (Robert B.) is Assistant Deputy Minister of Finance at Ottawa; is presently head of the tough, responsible Treasury Board job in the department. There is a married daughter who was at one time on the staff of the Bank of England in London. Mrs. Bryce died in 1939.

President Bryce is a Governor of the University of Toronto; chairman of the board of D. A. Stuart Oil, a director of National Trust, Confederation Life, the Dominion Bank, Canadian General Electric, and Gypsum, Lime & Alabastine.

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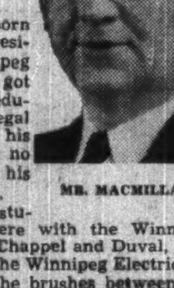
A Quick Rise

Occasionally senior railway officials are chosen from the legal department. Most recent example is the appointment of Norman J. MacMillan formerly of Winnipeg. He is a new vice-president of the Canadian National Railways and subsidiaries and continues as general counsel. At 40, MacMillan is one of the youngest senior railway officials in Canada.



MR. MACMILLAN

Ontario - born but long a resident of Winnipeg where he got most of his education and legal training, his rise has been no surprise to his close friends.

His law student days were with the Winnipeg firm of Guy, Chappel and Duval, long solicitors for the Winnipeg Electric Co. For decades the brushes between the company and the City of Winnipeg have been frequent. MacMillan's apprenticeship there was served in a field, where transportation, even though local, was dominant.

He was born in Bracebridge, Ontario, in 1909. He came to Manitoba at an early age, went to school in Winnipeg, attended the University of Manitoba and graduated in Arts in 1930. In his last undergraduate year he was senior stick of Arts, an office which ranked him as one of the leaders in campus activities.

His classmates, now scattered in professional and other fields throughout Canada, remember him as a better than average student who devoted most of his spare time to widely varied activities. They thought he was about 30 when he graduated—he was 21—and those who occasionally see him now say he is one of the few of them in whom time has made no visible changes.

Called to the Manitoba Bar in 1935 MacMillan continued with the firm with which he was a student until 1937. He then joined the legal staff of the Canadian National Railways in Winnipeg. In 1943 he was transferred to Montreal as assistant general solicitor. In 1946, when he was 37, he was appointed general counsel.

What Others Are Saying

Editorial of the Week

Big Problem Still Unsolved

St. John's News

Sir Stafford Cripps has declared that Britain intends to turn from Canada to old sources of supply in Europe for many of the foodstuffs that she obtained from the Dominion during and since the war. Currency conditions as well as traditional economic relations were bound to cause a resumption of this trade. But the tragedy of the situation is that Canada, having done her best to help out, must now see her own economic position impaired by the loss not only of food exports but also sales of newsprint and pitprops for which equivalent markets may be difficult to find.

The big problem is still to be solved. That is the problem of how to restore equilibrium to world trade. As things stand, the critical economic condition of most of the sterling countries is removing them from the diminishing free trading area and if this movement goes far enough, the prosperous countries may soon find themselves little better off in some respects than the dollar-poor nations. Yet everyone knows that a new depression of universal proportions might weaken the defences of the whole western world against the encroachment of international communism. Everybody knows it and everybody in the dollar countries is trying to avert it but with far too little sense of urgency. That is the chief danger in the world at this particular moment.

Other People's Views

A BIG JOB is handed to the CCF by the **Western Producer (Saskatoon)**. Bluntly it points out: "In the world in which we are living there is no use blinking the fact that the interests of farmer and labor do clash. To reconcile them is no easy task but it is a task which the CCF must tackle if they mean to hold the support of both."

BEING CO-OPERATIVE and friendly with the United States and Britain does not mean that Canada has no mind of her own, points out the **Windsor Star**. "At times Britain and the United States are inclined to take Canada too much for granted; to assume Canada will gladly be their chore-boy in international affairs. We have the right to make up our own minds; to formulate our own policies."

TWO-YEAR TERM for municipal office has proved its worth, declares the **Ottawa Journal** which sums up the situation this way: "The city saves some $15,000 in the off years, aspirants for public office save themselves campaign costs in those years, and the public interest does not suffer—in fact there are distinct advantages in the two-year continuity of Council when important business is under way, as it is today."

SCRAWNY GIFT HORSE is the description of Ottawa's proposal to compensate municipalities for tax exemption on crown property applied by the **Edmonton Journal**. "Halifax and Esquimalt will benefit greatly under the new setup, for each has tremendous concentrations of federal property, chiefly defence installations. They deserve all the relief they may get. But doing the right thing by these two cities does not make less unjust the rule announced for the municipalities where Ottawa owns less than 4% of the total local assessment."

VAST DEFENSE EXPENDITURES the world over offer an indication of what real peace would mean, points out the **Regina Leader-Post**.

"It was hoped that after the war the waste of hundreds of millions on the maintenance of fighting personnel and providing them with fighting equipment could be avoided. However, those who are in charge of national affairs appear to believe these heavy expenditures are inescapable. Such a conclusion can hardly be disputed at the moment because of the dangerously unsettled state of the world. The required military expenditure serves to emphasize what a great boon assured and perpetual peace will be to the people once this desired goal his been reached."

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Ottawa: Kenneth R. Wilson, 280 Irving Avenue, 8-0847

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Should Provinces Take Over Some Municipal Tax Burdens?

Group Study on Toronto Shows Squeeze on Property

What must or can a city do for its citizens? Are muncipalities being called upon today to provide more services than they can afford without new sources of revenue? Have property taxpayers, in our larger cities particularly, been squeezed to the limit? Should there be a redefinition of responsibilities and duties between municipalities and province?

These questions are highlighted by publication this week of a study of Toronto's special fiscal problems as the "core city" of a metropolitan area. The study, made by the Municipal-Provincial Relations Committee of the Civic Advisory Council of Toronto at the request of the Toronto City Council makes a number of important observations and recommendations, many of which may be applicable to many other Canadian municipalities.

The Post herewith presents a digest of the summary and recommendations contained in the Committee's report:

Over the past quarter century there have been many changes in the form of municipal services that require the expenditure of public money. Services which relate to the improvement and protection of property form a smaller percentage of total municipal outlays than they did in 1925.

On the other hand municipal expenditures for education, health, relief and other welfare services are larger both absolutely and relatively.

Moreover total civic outlays have increased substantially since the end of the war due partly to inflationary conditions and partly to an expansion of services held in check during the war years.

Increasing costs may be expected in the light of dwindling purchasing power of the dollar.

The cost of unemployment relief is now, in a period of buoyant employment, greater than at any time since the depression and the costs of welfare services other than relief have risen rapidly despite the amounts contributed by the Dominion and the province and despite record amounts raised and spent by charities.

There is a hard core of municipal expenditures for essential services, debt charges on capital assets and expenditures for welfare services borne by the city which give little indication of being easily reduced.

Choice must be made at some point either of relieving municipalities of the necessity for making certain expenditures (by means of the assumption of responsibilities by the province or the Dominion) or of minimizing and stabilizing the costs by means of consistent and regular assistance from a senior government, or exploring the possibilities of an expanded revenue base, if the burden of tax on the property taxpayer is to remain within reasonable limitations and municipal credit is to remain sound.

Revenue Not Elastic

Although other levels of government also are approaching a relatively rigid expenditure pattern, by comparison with a municipality, the revenue sources of these governments are much more elastic, particularly on the expansionary side.

Social and welfare services are expanding—in fact at this point the limits to these expenditures are not discernible.

Whether the province should assume direct fiscal and administrative responsibility, or whether administration should remain with the municipalities with financial assistance in the form of shared taxes or grants-in-aid, are debatable questions.

The Committee rejects the view that the present municipal tax structure should be stretched farther to provide welfare services. It accepts a large measure of local administration but urges major provincial financial responsibility, directly or indirectly, or the assignment to the municipalities of additional tax sources.

The role of Toronto as a central city in a metropolitan area cannot be emphasized too strongly. The problems facing so-called central cities are unique, both in nature and in magnitude.

Toronto's further growth is limited because vacant ground within its boundaries has virtually disappeared but, as the metropolitan area continues to grow and expand, a great strain is placed on the city for services.

Costs of Government

The costs of municipal government in a central city are likely to be higher on a per capita basis than similar costs in suburban municipalities. There has been a lack of effective over-all planning for the metropolitan area and sufficient weight has not been given to Toronto's position as the central city in the Greater Toronto area.

Expenditures for education have expanded markedly in the last few years. Provincial grants for education have been increased and this suggests recognition by the province that there is a point beyond which it should not be paid for in property taxation.

In housing the fact that the city has a welfare department perhaps creates the illusion that the city is responsible for personal housing problems. This again illustrates the implications of outmoded statutes when civic officials are put in the position of dealing with problems that are not local in impact.

It is difficult to single out city property taxpayers as those having financial or other responsibility for low-cost or low-rental housing development particularly should the development be outside the boundaries of Toronto.

When government functions initially were allocated many of the services now considered essential were unheard of by the people responsible for the framing of municipal legislation.

In days gone by the property tax was a reasonably equitable and useful instrument for making provision for what then were believed to be essential services. But it is hardly the base to use for redistribution of income such as is inherent in the substantial expenditures for service not related in any way to property taxpayers as such. Additional taxes on property are no solution to expanding expenditure needs of this character.

New Revenue Sources

The problem is one of seeking wide revenue sources on something more than an ad hoc basis or divesting municipalities of at least some of their responsibilities for making expenditures of a redistributive nature.

Fiscal measures to alleviate unemployment, or deficit financing as the term is understood at the Dominion level, are beyond the range of the municipality.

Municipalities are not equipped, even if legally they could do so, to follow a policy of cyclical budgeting and municipal finance cannot be geared to variations in outlay based on volume of trade, on national income or on unemployment and the like although these affect the citizens of Toronto individually and collectively.

The property tax is still the mainstay of the municipal financial structure although the ratio to total revenues has fallen in recent years. Abolition of the municipal income tax has for all practical purposes limited the city to revenue from realty and business taxes and the balance of revenues has come from provincial grants-in-aid.

Demands for provincial grants or assistance in other forms have been increasing in recent years. But the emerging arrangements are not entirely satisfactory from the standpoint of the city. Under existing inter-relationships grants-in-aid are necessary yet the bases of grants would appear in some instances to be the result of bargaining rather than the implementation of a co-ordinated policy.

Municipalities may be viewed as the creatures of the province yet paternalism does not necessarily have to follow and stop-gap treatment of this sort suggests a form of "log-rolling" that is disturbing.

Revenue sources of the city other than taxes and grants are not a significant factor in the municipal revenue structure. For example, in 1947, out of a total current revenue of some $45 millions, miscellaneous revenues amounted to approximately $3 millions.

The minor sources of revenue are not capable of much expansion. Additional sources of revenue, if authority should be given to area fiscal requirements, might be explored in meeting demands for expanding municipal services. At present, however, the city must rely on property tax and on grants-in-aid to meet expenditure requirements.

The assessment base has been slow to grow because the city is approaching the maximum use of land within its limits. Lack of building space within the city means that tax base cannot be much expanded on the basis of additional residential properties. At the same time existing properties are aging and large-scale reclamation is unlikely.

Residential realty, therefore, may be regarded as a declining asset.

Recommendations Of the Committee

Here are the eight recommendations made by the Committee to City Council:

1. City Council should urge the Provincial Government to initiate a wide examination of Municipal-Provincial inter-relationships.

The city has been forced, by out-dated legislation, to assume financial responsibility for functions for which it has not the appropriate tax base. Unemployment relief, which in the thirties was particularly onerous and may become so again, is an example.

A re-examination of the division or allocation of responsibilities which basically result in fiscal friction or inequity is required.

Particular attention should be directed to functions which, in light of existing and potential services and needs might be allocated to municipalities and those that might better be financed directly or indirectly by the Province, in some cases with local administration; to consider the revenues and the appropriateness of the revenue sources available to the municipalities to fulfil the responsibilities allocated to them, to the end that as large a measure

(Continued on page 9)

Possible New Income Sources

What new sources of revenue might be opened up to municipalities? Here's what the Committee says about experiences of other metropolitan areas with special municipal taxes:

A tax on utilities is levied in the majority of U.S. cities of more than 100,000 population and in a number of smaller ones. At a rate of 1% or 2% of gross receipts the tax has yielded $1 to $2 per capita. Where this tax has been shifted to consumers it has procured a contribution from nonproperty owners who nevertheless enjoy the city's services. Policy set for the Toronto Hydro-Electric System is service at cost and any municipal levy or direction of profits to general city revenues would require provincial sanction.

Taxes on gross receipts of business are an extension of business licences and in part substitute for taxation of the personal property of business under the business tax. For the most part they are more equitable than the more common business licence fees and are good revenue producers depending on the scope of business covered and the tax rates.

Retail sales taxes yield exceptionally well except where exemptions are made which reduce their effectiveness. A municipal sales tax has the advantage in a metropolitan area in that it forces non-property taxpayers employed or conducting business in the area to contribute to the civic services they are using. At the same time they create an additional burden for the property taxpayer.

Municipal income tax can successfully be applied only on salaries, wages, earnings of business and professions and not on incomes from dividends and interest. The municipal income tax in Philadelphia, while very remunerative, has to be applied with considerable circumspection with a state-wide tax already in effect. The administrative formulae raise complications.

Tax on rents is worth while only where there is a large tenant population; it should not duplicate the property tax.

Tax on hotel room charges has been adopted in New York City where it is limited to transients.

Tax on telephone services has yielded well, particularly where business telephones are in large numbers.

Taxes on cigarettes and liquor have been successful only in large metropolitan areas or isolated cities, as they can be evaded by purchasing outside the municipalities.

There are three main disadvantages to municipal taxes:

1. Tax may be avoided by moving or taking business to another municipality. This is particularly liable to occur in a metropolitan area such as Greater Toronto unless the same taxes at the same rate are used by all the metropolitan municipal governments. If the rate is not too high, avoidance might not be considered worth while. The experience of Montreal with its sales tax cannot be said, on the whole, to be unfavorable in this regard.

2. If municipal taxes represent a number of petty taxes there may be considerable resentment on the part of taxpayers.

3. Administration expenses proportional to yield may be very high.

GROSS EXPENDITURE, POPULATION, AND PER CAPITA EXPENDITURES OF THE CITY OF TORONTO (1925 - 1948)

	Gross Expend. ($000)	Pop. (000)	Per Capita Expend. $
1925	29,938	549	54.49
1926	30,375	557	54.56
1927	32,319	570	56.71
1928	33,740	586	57.61
1929	35,283	606	58.19
1930	38,211	622	61.47
1931	42,538	627	67.82
1932	42,877	627	68.42
1933	42,452	624	68.08
1934	44,143	629	70.15
1935	45,685	638	71.58
1936	45,576	645	70.61
1937	45,581	648	70.31
1938	44,750	648	69.08
1939	44,746	649	68.93
1940	41,930	648	64.70
1941	39,096	656	59.62
1942	37,193	669	55.58
1943	37,135	674	55.07
1944	39,057	677	57.70
1945	39,818	682	58.40
1946	43,504	697	62.46
1947	48,609	695	69.91
1948	51,003	696	73.28

BREAKDOWN OF TAX REVENUE OF THE CITY OF TORONTO (1925 - 1948)

	Realty	Bus.	Income	Total	Realty	Bus.	Income
	(Thousands of Dollars)				(Percentage)		
1925	19,631	2,470	2,208	24,309	80.7	10.2	9.1
1926	19,948	2,521	2,089	24,558	81.2	10.3	8.5
1927	22,415	2,555	2,090	27,060	82.8	9.5	7.7
1928	23,189	2,816	1,702	27,707	83.7	10.2	6.1
1929	23,929	3,010	1,995	28,934	82.7	10.4	6.9
1930	25,124	3,340	2,365	30,829	81.5	10.8	7.7
1931	27,583	3,620	2,375	33,578	82.1	10.8	7.1
1932	28,240	3,675	2,180	34,095	82.8	10.8	6.4
1933	27,813	3,495	1,755	33,063	84.1	10.6	5.3
1934	27,343	3,415	1,330	32,088	85.2	10.6	4.2
1935	28,037	3,595	1,395	33,027	84.9	10.9	4.2
1936	28,556	3,745	137	32,438	88.0	11.6	0.4
1937	29,056	3,824	130	33,010	88.0	11.6	0.4
1938	29,048	3,939	144	33,131	87.7	11.9	0.4
1939	27,795	3,907	150	31,852	87.2	12.3	0.5
1940	27,640	3,964	165	31,769	87.0	12.5	0.5
1941	27,051	3,848	163	31,062	87.1	12.4	0.5
1942	25,673	3,658	142	29,473	87.1	12.4	0.5
1943	24,925	3,648	155	28,728	86.8	12.7	0.5
1944	26,125	3,777	115	30,017	87.0	12.6	0.4
1945	24,799	3,666	5	28,470	87.1	12.9	—
1946	26,924	4,118	6	31,048	86.7	13.3	—
1947	30,486	4,841	—	35,327	86.3	13.7	—
1948	31,237	4,900	—	36,137	86.4	13.6	—

Studied Problem

The Committee on Municipal-Provincial Relations of the Civic Advisory Council comprised the following:

W. F. Lougheed (Chairman), Economist, Canadian Bank of Commerce.

J. T. Bryden, (Vice-Chairman), Assistant General Manager, North American Life Assurance Co.

J. G. Crean, President, Robert Crean & Co. Ltd.

Monteath Douglas, Director, Canadian Tax Foundation.

Mrs. J. W. Falkner, Women Electors Association and Welfare Council.

A. J. B. Gray, Assessment Commissioner, City of Toronto.

Eric Hardy, Director, Bureau of Municipal Research.

H. T. Johnston, Assistant Secretary, Canadian Bank of Commerce.

Cleve Kidd, Director of Research, United Steelworkers of America.

G. A. Lascelles, Commissioner of Finance, City of Toronto.

Bruce McKinnon, Head of Communication Section, Imperial Oil Ltd.

Z. A. Phimister, Superintendent of Public Schools.

Morgan Reid, Secretary, Management Advisory Committee, Robert Simpson Co. Ltd.

E. C. Roelofson, former member Board of Control, City of Toronto.

Albert Rose, School of Social Work, University of Toronto.

N. A. White, Assistant Secretary, Dominion Mortgage & Investment Association.

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LABOR ROUNDUP

By RONALD WILLIAMS

Now Is The Time For Understanding, Patience With Labor: Greig of Ford

There's a certain Canadian labor leader who swore a few years ago that he'd never buy a Ford product as long as he lived, so incensed was he at the firm's labor policy. Today he is proud to drive a big Mercury.

In a nutshell, that's the metamorphosis that has occurred in management-labor relationship at Ford of Canada. From one of the worst, it has been transformed into one of the best. Since the last big blowup in 1945-46, nothing has come up which management and the CIO Auto Workers' union couldn't settle amicably.

These new bonds of understanding are now facing the acid test. This week in Windsor discussions were reopened on the touchy question of pensions. The union here wants what its counterpart got from Ford in the United States.

Whatever the outcome, one thing is clear: no one will be able to accuse Ford of being anti-labor or of looking on its employees as statistics rather than human beings.

Ford's new approach was clearly apparent in a recent speech by President Douglas B. Greig before the company's manufacturing division.

After referring to what he called a "peculiar tension" in the air these days and the tendency of some "over-ardent labor enthusiasts to throw their weight around," he declared:

"We should recognize that there may be some unusually explosive elements in the air these days, and we should try our best to avoid making unnecessary sparks that might set them off. This is a time when we particularly need patience, firmness, fairness and clear thinking in our human relations . . . (It) may be trying and at times, aggravating, but bear in mind that there is a special onus upon all of us in management to exercise more self-control than others."

Mr. Greig said experience has shown that the vast majority of serious labor difficulties were not caused by one single incident, but more often by a series of small and sometimes seemingly unimportant incidents. These gradually pile up in an atmosphere of growing tension which may be finally touched off by some comparatively minor episode.

It is hard to say how much if any of this changed attitude toward labor has had to do with Ford's remarkable postwar production record and how much to unprecedented demand. The fact remains that Ford is within sight of a new peacetime production record.

Up to the end of October, Ford had produced more cars and trucks than in the entire 12 months 1948. Ford, said President Greig, was now leading the Canadian automotive field.

According to the latest issue of the employees' paper, Ford Graphic, new car and truck registrations up to Sept. 30 show:

Ford, 67,118
General Motors, 58,708
Chrysler, 42,997
Percentagewise:
Ford, 32.5;
GM, 29.4;
Chrysler, 20.8.
Others, 18.3.

Whether Ford can hold the sales lead remains to be seen. Management and employees appear determined to do their best.

• • •

Saint John Suffering

Elsewhere, the stormy Canadian Seamen's union strike was all but forgotten: in Saint John, N.B., waves from the disputes were still rocking the union and lakefront boat. As ocean-going ships began converging on the ice-free port for the opening of the winter season, St. John lakefront unions were up to the plimsol line in trouble.

It goes back to last spring when William L. Carlin, then president of the International Longshoremen's Association in St. John, became the first to take sympathy action in support of the CSU. Eventually, this secondary development became a world-wide Communist inspired operation.

The Saint John local, in defiance of International policy, supported Carlin and refused to go through CSU picket lines. It proved to be a costly and futile decision. Port workers lost hundreds of thousands of dollars in wages; Lady ships of the Canadian National steamships switched to Montreal as their summer terminus. Saint John is afraid this might be permanent. In the end, the sympathy strike petered out. Like many other unions, they were hooked on a Communist-baited line.

At election time, Carlin and his vice-president were defeated. This made matters worse internally. Efforts to heal the breach failed. New York headquarters and the local offered to let bygones be bygones, providing Carlin and Vice-president Crilley would give their word not to seek office again for five years. Both refused.

Since then, both have been expelled. However, Crilley remained a member by joining the Checkers, Weighers and Cargo Repairers which is a self-contained local within the framework of the Longshoremen's union. When this unit refused to expell Crilley, its charter was revoked by New York and a new union set up.

The dispute is now before the courts. Judgment has been reserved on the application of the suspended local to obtain possession of its records and funds. At the same time, Carlin was granted an interim injunction against his expulsion, thus allowing him to continue working on the waterfront until Nov. 30, when the injunction will be dealt with. If it is refused, Carlin will not be able to work on the waterfront; the union has a closed shop.

What has Saint John worried is, does all this mean more trouble just when the port is entering its busiest season? If the Carlin-less Longshoremen have anything to say it won't. They have given assurances that there will be no delays in handling cargo.

• • •

New World Labor Group

The isolation the world's trade union Communists have chosen for themselves by their blind allegiance to the cause of Soviet Russia was being advanced considerably this week in London, Eng. There, 232 delegates from 55 nations assembled to set up a new world labor organization to challenge the Communist-run World Federation of Trades Unions. Most of the delegates represented unions which withdrew from the WFTU when they found they could do nothing to stop it dancing to Moscow's tune.

On hand were five from Canada. From the CCL: Secretary Pat Conroy; Executive Members: Sam Baron, director CIO Textile Workers; Fred Dowling, Packinghouse Workers and J. E. McGuire, Canadian Brotherhood of Railway Employees. Representing the TLC: President Percy Bengough.

The United States had 21 representatives: 10 each from the AFL and CIO and one independent. Presence of the AFL was considered almost as important as the conference itself. Previously, the AFL had refused to have anything to do with world groups if the CIO belonged. This attitude stems from the original split and formation of the CIO. In the interest of anti-Communist world unity the AFL let bygones be bygones. To show they really meant it, the AFL sent President William Green along to head its delegation.

• • •

Caught Between Two Union Fires

After this week, industries affected by the CIO expulsion of the Communist-led Electrical Union will have a better idea of how the UEW and the new CIO anti-Communist challenger line up. In Philadelphia delegates from 100 locals were expected to attend the new union's first convention. The latest survey shows 85 locals, four of them Canadian, claiming a total membership of 144,330, have bolted the UEW. This, and the UEW's claim to still represent 500,000 and the CIO assertion that it never paid per capita dues on more than 375,000, may be clarified this week end.

Meanwhile the Canadian situation had already begun to clear up. Aided by Canadian labor laws, (The Financial Post, Nov. 12) the UEW would probably manage to hang on to the bulk of its membership until contracts in the various plants run out. As this occurs, the rival union will make a bid to oust the Red group in a vote for certification. The various provincial labor relations boards are in for a hectic 12 months, for on votes conducted by them will eventually rest the outcome of the struggle for power.

This is the way matters stand at Canadian General Electric plants in Ontario. CGE's contract covering half a dozen plants with UEW is now open, pending the findings of a Conciliation Board.

If UEW can get the contract renewed before applications for certification are filed by the new union, they are safe for another year. This explains their demands for an early report. Every day's delay improves the new union's chances. Already one CGE local has quit and applied for certification.

This week the big 3,500-member local at Peterboro did the same. Now they can demand that CGE await the outcome of votes in these plants before signing. Where no application had been made, CGE, under the law, would be required to continue dealing with the UEW.

Rightwingers concede that only at Peterborough and Cobourg do they stand a chance of upsetting the UEW at this time. If they do, there is a real possibility that CGE will have to deal with UEW in four plants; the new union in two. However, the new union will be able to claim control of the larger number of employees. As a result, the anti-Communist secessionists are concentrating all their efforts on swinging Peterborough. Other units in the CGE chain and also other UEW locals elsewhere are marked for future attention.

• • •

It Never Rains But . . .

As if it didn't have enough trouble on its hands already with the right wing secession, the Canadian Communist-run Electrical Workers got more grief last week in the form of a libel suit.

In Toronto the action of the union's former treasurer, Reginald Hebert opened in civil assize court against the union's boss, Clarence "Red" Jackson and J. F. Douglas, editor of the union's paper, UE News.

Basis of the action are articles in the paper calling Hebert a "stooge" and a "tool of the bosses," after he had been expelled by a committee of 12 for distributing pamphlets criticizing the leadership. At the time, Hebert was an inspector in one of Canadian General Electric's Toronto plants.

Earlier, Jackson, Douglas and three other UEW top brass were expelled from the CCL for similar attacks in their paper on CCL leaders.

• • •

Communist Travel Notes

The Communists are crying poverty in their efforts to squeeze the last cent out of the faithful to finance their weekly, The Tribune. But they seem to have plenty of money for some things.

Mary Jennison, secretary of the Canadian Peace Congress, the leading Red front in Canada today, flew to Rome for a session of the Committee of the World Congress of Partisans of Peace. Round trip fare $840.60.

Gushed Miss Jennison to The Tribune on her return: "It was like opening a door and walking into a different world."

Sam Lipshitz, national secretary of the LPP's Jewish Committee, was on a European junket; cost unknown. From Warsaw he reported: "Stores are full . . . new apartment buildings springing up everywhere . . . people buying briskly."

By plane, Mary Kardash, wife of Manitoba's LPP M.P. and Mrs. Dorise Neilson, Tribune columnist, went to Moscow. Round trip fare: about $1,000.

Mrs. Kardash is representing the United Ukranian Canadian Association; Mrs. Neilson, the Peace Action Committee. They attended an "emergency" meeting of the council of the Women's International Democratic Federation. On their return, they are scheduled to go on cross-country speaking tours.

• • •

Labor Briefs

British Columbia Electric has started switching to the 40-hour week under its agreement with the Vancouver Street Railwaymen's Union. One thousand transit maintenance workers are already on it; 2,000 others are due to go on Feb. 16. Previously, work week was 44 and 46 hours.

• • •

As was expected, Communist-tainted international leadership of the CIO Mine, Mill and Smelters Union, has been re-elected; president, John Clark; vice-president, Orville Larson by acclamation; vice-president Reid Robinson and secretary-treasurer Maurice Travis (both outright Communists) by a wide margin.

• • •

International Harvester signed with CIO Steelworkers for its Hamilton works on basis of 40-hour week (from 45); 10c hourly pay increase, 5c retroactive to May 25.

Detroit Bankers Solve Teachers' Budget Problem

Teachers of Cass Tech, Detroit's biggest high school, with co-operation of the Industrial National Bank of Detroit, have solved a difficult budgeting problem.

School teachers generally, have always had a difficult financing problem because their pay came in 40 weeks in the year.

Under the arrangement between the school and bank concerned, the Detroit Board of Education makes all necessary deductions from the teacher's pay and turns the net cheque over to the bank. The bank then on the 1st and 15th of each month pays the teacher 1/24th of his annual net salary, either as a cashier's cheque or as a credit to his account. If the idea works out satisfactorily it will probably be adopted by other banks and schools, in the city.

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Price

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Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that Interim Debentures of the Company (in bearer form only), later exchangeable for Definitive Debentures, will be available for delivery in Toronto, Montreal and Winnipeg on or about December 15, 1949.

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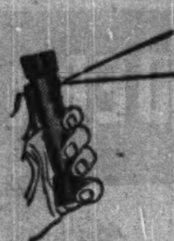

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Should Provinces Give More Help to Cities?

(Continued from page 7)

as possible of municipal responsibility may be maintained.

This study should be made against the backdrop of Dominion-Provincial relationships.

Three ways are suggested for making such an enquiry:

(a) by a committee of members of the legislature and municipal representatives; or

(b) by a special committee of the legislature; or

(c) by a Royal Commission

2. Continuous as well as periodic study of municipal-provincial relations because of the shifting pattern of economic, political and social activity.

Whether this work should be done by a standing committee of the legislature or by some other body is a matter for political action but following a study such as suggested above, a committee with a competent research staff would be in a position to undertake the task.

3. Revision of legislation and orders to set forth clearly the functions and fiscal responsibilities of municipal units, recognition to be given to the varying needs of rural, urban and metropolitan areas.

Legislation is now uniformly applied to centres that are predominantly agrarian and those predominantly industrial, to those that are self-contained and to those that are only part of a larger metropolitan area. Too much stress cannot be laid on the position of Toronto. Restricted in its own growth by legal boundaries, hemmed in by suburban municipalities and functioning as a central city in a larger and expanding metropolitan area, many of Toronto's problems are peculiar to Toronto alone and call for more adequate recognition. Ad hoc arrangements between the city and suburban municipalities have given rise to fiscal distortions that are in a measure unnecessary and inequitable.

4. Until there is a re-statement of responsibilities between province and municipalities, stop-gap legislation or other measures should be provided by the province to limit the implied obligations of municipal government in such expenditures as emergency housing, care of the chronically ill, the aged and particularly the unemployed.

Relief of indigents has historically been a municipal concern but the great expansion of industrialism over the last quarter of a century and the dependence there now is on foreign trade for maintenance of conditions of full employment, highlight still more the fact that municipalities are fiscally quite unable to meet relief costs, which, on exhaustion of unemployment insurance benefits, would accumulate should there be unemployment as a result of a slowing down in business activity or from seasonal conditions.

Notwithstanding the general high level at which employment has been maintained, the city's unemployment relief expenditures over the last few years have increased to an amount that underlines the fiscal difficulties which will face the city—and other municipalities—unless there are subventions from the province applicable to the relief of out-of-work employables.

There is an immediate need for a statement of policy by the province, possibly in conjunction with the Dominion, as to what subventions for unemployment relief the municipalities may expect.

5. Too much reliance should not be placed on productivity of real property tax to do more than meet normal services a municipal unit might be expected to perform for its citizens.

If services beyond these are undertaken the essential continuing balance between municipal expenditure and revenue must come from one or some combination of:

(a) Provincial grants-in-aid on some more co-ordinated plan than those of past years;

(b) Centrally administered, locally-shared taxes;

(c) Allocation to the municipalities of additional revenue sources;

(d) Provincial responsibility for certain services now paid either in whole or in part by the municipalities.

Whatever combination is decided upon, it should be rationally planned in terms of the delineation of functions derived from the recommended study and enquiry and form part of a consistent and co-ordinated long-term policy, based on a comprehensive view of over-all taxes and their incidence and the probable development and needs of the municipal areas.

To bolster municipal responsibility the balancing revenues should at all times be adequate to a safeguarding of the property tax base and to a proper functioning of the municipal unit.

Most committee members agreed that additional revenue sources, within present municipal boundaries, were not likely to be satisfactory or expansible sources of funds. Pending examination of re-allocation responsibility, some of the committee favored extension of the grant-in-aid system, on a co-ordinated and consistent basis as the major vehicle for meeting the problem; others felt that shared taxes to bring out the cost factor in expanding municipal services had an appropriate place.

All agreed some combination of the alternatives may be necessary.

6. All properties of residential or business character should bear their appropriate share of the municipal tax burden.

Properties owned by Dominion or provincial governments or by Crown companies should contribute their proper share to municipal revenues.

As a general principle housing projects should not be subsidized at the municipal level by tax exemption, minimum service payments or other hidden subsidy arrangement—the subsidy, if required, should come from a tax source other than that of the property taxpayer.

7. Each municipality should have a carefully thought-out long-term budget for its own capital needs to pass on as a recommendation from an outgoing council to the incoming council.

To the extent that public works initiated or subsidized by the Dominion or the Province as contra-cyclical measures coincide with the municipality's own capital needs, timing of municipal expenditures may be altered. If such works do not coincide with major municipal needs they should either be self-liquidating or not a continuing charge on municipal taxes.

8. The province should be asked to arrange for a codification of the Municipal Act and other legislation affecting municipalities.

Present multiplicity of statutes and orders makes it difficult, in view of the ambiguity, to determine precisely the legal responsibilities of Toronto or any other municipality with the province.

CANADIAN INDUSTRIAL ALCOHOL CO. reports net profit of $834,137 for year ended Aug. 31, 1949, down 53.4% from $1,788,771 in previous year. Decline is accounted for primarily by lower volume of beverage sales and by sharp decline in market value of molasses and industrial spirits produced therefrom which necessitated substantial inventory writedowns, President Elie Beauregard states.

Consolidated net earnings include $135,143 ($183,616) earned by Robert McNish & Co., a wholly-owned subsidiary in Scotland. Dividends of $11,921 were received from this subsidiary in each of the last two fiscal years. It is anticipated that devaluation of the pound sterling will result in a loss of $827,380 in value of assets of this company.

CONS. INCOME ACCOUNT

Years Ended Aug. 31:	1949	1948
Net earnings	$1,527,454	$3,337,697
Less: Deprec.	110,268	74,107
Inc. tax res.	594,318	1,497,212
Add: Prof. on inv. & asset sale	11,269	22,393
Net profit	834,137	1,788,771
Less: Dividends	1,111,916	1,111,916
Surplus for year	*277,779	676,853

*Deficit.

Earnings per Share and Dividend Record:		
Class A & B	$0.75	$1.61
Paid	1.00	1.00+*2.12

*Deducted from surplus in 1948, and paid Jan. 5, 1948, out of 1947 profit on extraord. sales in Scotland.

CONDENSED CONS. BALANCE SHEET

As at Aug. 31:	1949	1948
Cash	$1,413,393	$1,845,729
Investments†	1,573,837	2,176,937
Accts. rec.	803,269	549,264
Inventories	5,490,204	5,799,221
Total curr. assets	9,280,803	10,371,151
Prep. exp., etc.‡	29,232	34,386
Ref EPT	70,679	70,679
Fixed assets*	1,194,389	1,113,154
Total assets	10,575,203	11,589,370
Accts., etc., pay.	434,428	297,421
Taxes pay.	369,625	1,245,745
Total curr. liab.	804,053	1,543,166
Conting., etc., res.	628,759	626,034
Capital stock	3,986,442	3,986,442
Surplus	5,155,949	5,433,728
*After depr. of	3,314,646	3,324,406
†Market value	1,569,890	2,217,075
‡Included in current assets in co's report.		
Working capital	8,476,750	8,827,985

Industrial Growth

Of $88 millions in Canadian industrial construction contract awards for 10 months to Oct. 31—as tabulated by MacLean Building Reports Ltd.—over $10 millions or more than 11% is credited to the Toronto area. The figures include equipment as well as new buildings, extensions and alterations.

Thus, industrial capital spending in Ontario's "manufacturing core" area continues at a high and promising level. While the $10 millions Toronto district figure is down 30% from the 1948 period, it and the national total are considered "wholesome" by construction industry leaders. View in general is that present year-end volume signals a continued high level of orders for factory building and equipment for some months ahead.

Here are projects reviewed by Toronto Industrial Commission's General Manager T. H. Bartley in his latest monthly summary of typical developments in the district.

• • •

Pilkington

England's Pilkington Bros. Ltd., completing its 123rd year as a top-rank world glassmaker, last week placed a rush order for construction of a $3 million Canadian branch plant to make sheet window glass in Toronto area's Scarborough township. Building will start within six weeks.

When production starts a year hence, Pilkington will be resuming an operation suspended in Thorold, Ont., in the early 1920's in face of lower costs abroad. The product will be for distribution largely in Quebec, Ontario and Manitoba. Canada recently has been importing annually about 80 million sq. ft. of sheet window glass at over $6.5 millions—the bulk of Canadian consumption—and Pilkington of St. Helens has supplied from one half to two thirds of that volume.

Pilkington has 20,000 employees, 16 factories, 85 depot-offices in 67 countries.

Operator is a new subsidiary of the British firm — Pilkington Glass Manufacturing Co.—which thus joins Pilkington Bros. (Canada) Ltd., and Pilkington Glass Ltd., under President W. Harry Pilkington. The latter firm already has head office in Toronto, an "assembly" plant in Leaside, near Toronto (mirrors and multiple-pane insulating windows), 21 branch offices and sales depots across Canada.

Pilkington (Canada) Vice-president and Managing Director Lewis J. B. Forbes and Director E. R. Graham are among directors of the new company.

Some details of the plant project:

Site 33 acres on CNR spur. Architects Allward & Gouinlock. Contractor A. W. Robertson Ltd. Employment 300 men at capacity. Ten buildings, mainly one-story, to cover 180,000 sq. ft., chiefly steel and brick. Much of the equipment, specially designed by Pilkington, will be imported. The process has a largely vertical flowline, so part of the plant will be of "tower" design. Operation will be on a 24-hour basis.

• • •

IBM

International Business Machines Co., Toronto (IBM Corp., and IBM World Trade Corp., New York), this week announced decision to start early construction of its proposed new plant in the Toronto area (The Financial Post, Feb. 12).

According to Canadian President G. Harry Sheppard, 24 acres on suburban North York township's Don Mills Road is to be the site of a 110,000-sq. ft. plant and office, part two stories, steel, brick and glass brick, which will serve Europe, South America and domestic markets.

First production will be standard electric equipment, such as electric typewriters, accounting machines, time recorders and time systems; eventually the new plant also will assemble IBM's "mechanical brain" electric calculator. Employment in the "million-dollar factory" will be between 300 and 500, it is stated.

• • •

Candn. Met. Window

Canadian Metal Window & Steel Products Ltd., Toronto, in February will complete and occupy a new $150,000 plant just inside the east city limit, move from an old and smaller downtown plant recently expropriated by the city as part of site of Canada's first large-scale public housing redevelopment project (Regent Park). John W. Gooch is president. Designed and built by the owner, new plant is one story, 32,000 sq. ft., steel and brick, representing a 50% increase in manufacturing capacity. Present working force of 60 may be enlarged in the future. New products, as yet undisclosed, are being considered. Products now are mainly steel windows, doors, roof decking.

• • •

A. E. Long

A. E. Long Co., Toronto, President E. S. Long, is another industry to be displaced by the city's Regent Park housing development. Maker of folding and set-up paper boxes, finished display mountings, etc., Long is considering site purchase in a new east suburban industrial area, and early building. In 1947 the city's announcement of its housing project halted in mid-course the construction of a $65,000 extension of Long's existing downtown plant; architects Brown & Brisley; contractor, Young & Apperley.

• • •

Reichhold

Reichhold Chemicals (Canada), Toronto, new subsidiary of Reichhold Chemicals Inc., Detroit (The Financial Post, Nov. 19), will be in production in about six weeks in its recently bought plant in suburban North York township. Parent firm has a net worth over $8 millions, operates six U. S. plants, 14 in other countries, makes synthetic resins, plastics, chemical colors, industrial chemicals for the paint, varnish, paper, plywood and general manufacturing industries.

• • •

Minute Mop

Minute Mop Factory (Canada) Ltd., new subsidiary of Minute Mop, Chicago, has bought an 11,000-sq. ft. building and two acres in suburban Scarborough township's former "GECO" war plant industrial community. Main product: domestic cleaning utensils, particularly lines using cellulose, cellulose acetate sponge, for which unusual shaping and sanitation qualities are claimed. Canadian plant will handle exports to all countries other than United States.

• • •

Vette Select Foods

Vette Select Foods Ltd., Toronto, newly organized, is about to start making a new type of food chip successfully introduced in United States from Java after the last war. Vette has leased space in suburban Scarborough's "GECO" development. In the process, a dough of several kinds of flour, plus cheeses and seasoning, is thinly sliced, quick-fried, yielding "a tasty product that looks like potato chips." President and General Manager John MacKenzie says up to 50 will be employed when full production is reached.

Ontario Drafts Legislation On Loans to Municipalities

Legislation is being drafted to implement Ontario's plan to assist small municipalities in financing necessary public improvements, The Financial Post understands.

This plan envisages the setting up of a $50 millions Crown company — Ontario Municipal Improvement Corp. — with authority to purchase debentures of municipalities at rates of interest which would represent about the province's cost plus a service charge.

Rate of interest to be charged municipalities will be about 3½% including the service charge, according to the present thinking of the Government, Minister of Municipal Affairs Dunbar tells The Financial Post. The difference between 3½% and what it costs the province to borrow would provide the service charge, he added.

Enquiries from 25 Ontario municipalities in connection with projects to the value of over $5 millions have already been received by the Department of Municipal Affairs. In addition to the requests where a definite amount has been mentioned, there have been other requests seeking just general information.

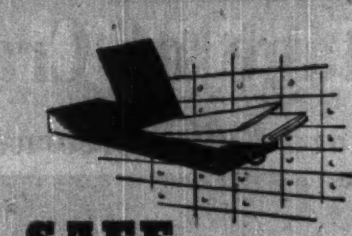
Actual application will have to be considered first by the Ontario Municipal Board and receive its approval and projects would have to be within borrowing powers of the municipality, it was stated.

The City of Windsor has already made an application before the Ontario Municipal Board for a loan of $1 million. The board returned the application for more information on the complete project which would provide a new water supply through a substantial expenditure around the mouth of the St. Clair River, to serve the whole Windsor area. In this case, the Board felt they should have an outline of the whole project before approving any loans, The Post was told.

The province has already agreed to take up a $135,000 debenture issue of the town of Mattawa in order that the town could proceed with the construction of a waterworks and sewage disposal system.

The 25 enquiries which have been received where an actual amount was stated are as follows:

Place	Amount	Purpose
Mattawa (T)	$158,000	Waterworks, repairs to town hall, fire protection
Norwood (V)	100,000	Water
Port Credit (V)	427,088	Sewers, water, local improvements.
Tweed (V)	135,000	Water, municipal bldg.
Cannington (V)	120,000	Water
Acton (V)	350,000	Sewers.
Goderich (T)	458,000	Sewers, public school, arena, local improvements
New Liskeard (T)	149,000	Sewers, water, local improvements, housing
Thurlow (Twp.)	60,000	Water
Freeman (Twp.)	35,000	Memorial bldg.
Scarborough (Twp.)	325,000	Sewer
	125,000	Water
	450,000	Schools
	200,000	Local improvements
	600,000	Hydro
Crowland (Twp.)	250,000	
Cornwall (C)	139,586	Water, local improvements, paving
Chaffey (Twp.)	110,000	Schools
Morrisburg (Twp.)	1,200	Water
Oshawa (C)	210,000	Water
Trenton (T)	125,000	Sidewalks, sewers, roads
Cobalt (T)	8,000	Arena
Milton (T)	300,000	Sewers
Sandwich East (Twp.)	6,348	Water
Beamsville (V)	185,000	Sewers



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NEW ISSUE

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Authorized Capital - - - - - - - $1,000,000.00
40,000 Preference Shares - - - $10.00 Par Value
600,000 Common Shares - - - - No Par Value

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DIRECTORS

JOSEPH B. KOPMAN, Toronto - STEWART A. WOODS, Toronto
JOHN GRACIE, Toronto - JAMES D. INCE, Toronto
I. PHILIP DICKLER, Toronto

Kop Beverages Limited is now organizing its program for production of Carbonated Beverages, Syrups, Concentrates, Extracts, Essences, etc., using its own controlled formulae which have been tested and proven of outstanding merit.

The progressive growth of public demand for Carbonated Beverages through recent years, amongst all classes of people and in all types of communities throughout Canada and the United States, indicates the breadth of the opportunity for successful development and expansion of business in this division of the company's proposed activity.

Concurrently, the increasing demand for Syrups, Extracts, Fillers, Coatings, Toppings, etc. by the Baking, Confectionery, Candy Industries and the Soda Fountain Trade and other food and beverage producers and dispensers, presents also a wide market for cultivation by the Company.

Offering of Common Shares

200,000 SHARES OF COMMON STOCK—NO PAR VALUE

Price — 60c. per Share

The company plans to construct a parent plant in Toronto, with capacity for One Half Million cases of Carbonated Beverages per annum, plus facilities for the manufacture of the other products mentioned. It proposes to maintain its own fleet of trucks to service the Toronto District, and to allot franchises to bottlers and territorial distributors in other areas throughout Canada on an attractive and exclusive contract basis.

Particular importance is attached to the possibilities for developing quickly, large demand for a Cola drink, the company's formula being considered by the management to be the finest of all Cola flavour formulae on the North American Continent.

Another special feature of the company's program is to be that of the sale and installation of automatic vending machines for theatres, amusement parks, industrial plants, etc., etc. This division of the business has unlimited possibilities.

MAKE YOUR APPLICATION FOR SHARES—OR REQUEST FURTHER INFORMATION—IMMEDIATELY.

The Offering of Shares is being made direct to you by the company, and the proceeds go directly into the company's treasury. Substantial earnings are indicated.

KOP BEVERAGES LTD.

62 Richmond St. West Toronto, Ontario

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62 Richmond St. West,
TORONTO, ONTARIO.

☐ Kindly send me further information about the plans of your company.

I offer to purchase .... Common Shares, No Par value of KOP BEVERAGES LIMITED at 60c per share.

I enclose herewith $........................ being payment in full.

.... Cheque .... Money Order.

Name ....

Address ....

....

McGlashan, Clarke Ltd.

Heritage of Craft Is Factory's Pride

Niagara Falls' Silverware Firm Uses 'Horse-Sense' Rule

For 37 years, Die-Sinker Larry Hewitt has worked in this little shop perched nest-like on one corner of the McGlashan, Clarke Building in Niagara Falls, fashioning the dies used to make the firm's delicate patterns and designs. The shop and Hewitt are typical of McGlashan, Clarke operation and the skilled craftsmen who work there. Hewitt is working on a die for a hollow knife handle.

By RONALD WILLIAMS

Next time you dine at Toronto's Royal York, King Edward, Montreal's Mount Royal, Winnipeg's Fort Garry, Victoria's Empress or in the Parliamentary restaurant at Ottawa or on a train, take another look at the knives, forks and other flatware.

On the backs of the spoons you'll see a small mound of silver. Look closer at any piece and you'll see the letters, McG. C. Co., stamped on the back. Both are hallmarks of quality. The mound of silver is reinforcement at the point of greatest wear; the letters are the trade mark of Canada's pioneer manufacturer of silver flatware, McGlashan, Clarke Ltd., Niagara Falls.

Here is a firm and product unique in the Canadian silverware business. Its products can be found in penitentiary or penthouse.

For the Pen inmates they make a special spoon and fork that can't readily be used as a weapon or a tool of escape. Knives are not supplied; the spoon is designed to take its place.

For others, they turn out high quality "Kings Plate" which sells on the open market. Then, too, there's an exclusive pattern for the Royal York Hotel in Toronto, the only hotel in the world which has its own private pattern and design.

McGlashan picked off that plum of prestige and profit in competition with firms all over the world. The CPR uses its products exclusively. So do many leading hotels, clubs, restaurants and institutions. Today McGlashan, Clarke silverware is sold by 400 leading jewelers coast-to-coast. Another 300 want to sell it when McGlashan, Clarke can supply them.

Only Canadian Firm Left

Whether it's for the carriage trade or the 5 and 10, (they sell there too) McGlashan, Clarke products have kept pace. And all their competitors are branches of United States firms. They are the only all-Canadian company left in this end of the industry.

Their plant may not be as slick and modern as some of today's industrial palaces. Their man-to-man approach on industrial relations might be called old-fashioned. But in quality and price they have more than kept up with the Joneses in the business.

They operate efficiently but their efficiency doesn't stick out like a time study man's stop watch. Things get done right but there's not too much spit and polish. Employees are treated as people, not production units.

They'd sooner try to hand-tool a special cutlery set for a crippled arthritic than accommodate an Indian Prince who so admired the McGlashan, Clarke flatware at Victoria's Empress hotel that he wanted 12 sets to take back home.

And while every other firm passed up the government's puny penitentiary order, McGlashan, Clarke took it on. Put it down to patriotism or sentiment. Certainly it wasn't profit; the job was too small. The initial run didn't pay for tooling. Replacement orders are negligible.

Maybe this contrast is what makes the firm unique. Whatever the reason, you can almost feel it the moment you enter the rambling, far-from-modern McGlashan, Clarke building in Niagara Falls near the Lower Bridge.

The building itself might have something to do with it—an unpretentious red-brick, two story affair, with its maze of corridors and workshops and a tiny die-sinking room perched almost nestlike in one corner.

Union Voted Down

But there's more to it than sticks and stones. There's some intangible bond between employer and employee. They pull together, not apart. Employees have felt no need of unions. Not long ago they voted 2-1 against the AFL Chemical Workers.

It was not considered a defeat for unionism but rather an endorsation of management-labor co-operation and understanding which has made McGlashan, Clarke an industrial family, with personal and mutual interests which extend into families and community generally.

What's the secret of McGlashan, Clarke's successful industrial relations?

No secret at all, according to young Clarke McGlashan, general manager and grandson of the man who founded the firm 70 years ago. It's a mixture of company history, the rich heritage of the craft of silversmithing, a real family spirit and common garden variety of horse sense.

First, the horse sense. Says today's McGlashan, a friendly, easy-smiling young man who looks a bit like movie actor Van Johnson:

"We believe our fellow employees prefer to be treated like individuals rather than a number on the payroll. That is the established policy of this company and it gets results."

As he talked, he showed The Post around the plant. He pointed to a workman finishing knife handles. "Take Ed Mandley there. He's been with us 50 years. He worked for my grandfather and my father."

McGlashan walked over. "Hello, Ed. How are things? Meet The Financial Post."

Like everyone else in the plant, Ed called McGlashan by his first name. It was a little thing, but it registered.

"Our people don't have to be bossed around," McGlashan continued. "They have a job to do and know if they do it faithfully and to the best of their ability, it will mean continued employment and a fair return for their effort."

We were passing a knife-rolling machine. "Meet Tom Tomlinson. He's been here 36 years," McGlashan said.

We did. Then Tom began telling McGlashan a bit of family gossip. It seems his father, 83, had gone to California and got married again.

The young employer seemed genuinely interested. He spent three or four minutes kidding about the revitalizing qualities of California air, then we proceeded on through the shop.

Over the roar of machinery he said: "We've found that, in most cases, employees are sincere and try to work with each other and with us. Those that do not seem to have this spirit at first acquire it later. Then there's always a chance to advance. But most of all we know one another. I know everyone by their first names; they know and call me by mine. It's wonderful what it can do."

There's no doubt about the family spirit. Out of its 100 employees eight have been with the firm 40 years or more; over a third upward of 20 years.

President Was Machinist

Earlier, The Post had been introduced to the firm's president, John C. McCain. He's over 70, looks under 60. He's been with the firm over 50 years, was hired originally as a machinist's apprentice by Founder Leonard McGlashan. He goes around coatless, wearing a fedora hat, happy that he is often taken for one of his own employees.

Since McGlashan got out of the army, McCain has been devoting more and more time to the plant, leaving the actual running of the business to his general manager. Not only is McCain happier but it strengthens still more the bond of friendship between employer and employee.

Another strand in this bond is company background. Three generations of McGlashan's have guided its destinies. First, Leonard, 350-lb. ex-lumberman and globetrotter, who founded it with an American named Dr. Garfield Clarke.

In 1878 they set up the Ontario Silver Co., as it was then called, on the banks of the Welland Canal near Thorold. They employed 12 persons and became Canada's first silverware firm.

In 1880, with the discovery of natural gas on the Lake Erie Shore, the factory was moved to nearby Humberstone. Equipment and machinery were moved upstream on scows drawn by tugs.

Moved to Niagara Falls

About 15 years later, McGlashan began to see potentialities of electric power and made plans to move again, this time to Niagara Falls. Fate hastened the move when fire partially destroyed the Humberstone plant. Several of the men who worked for McGlashan then, and helped move, are still on the payroll. One, Frank McCormick, began his career as a waterboy in the Humberstone factory. Today, he's superintendent of the knife division.

At the turn of the century, Leonard McGlashan, because of ill health, retired from business. In 1905 his son Lee, John McCain and Ned Clarke joined forces and established what is now known as McGlashan, Clarke.

Today the firm is an institution in the silverware business. It takes raw materials in one end—nickel silver, so-called although there isn't any silver in it; silver for plating and various kinds of steel; suet for some polishing operations; also walrus hides for buffing.

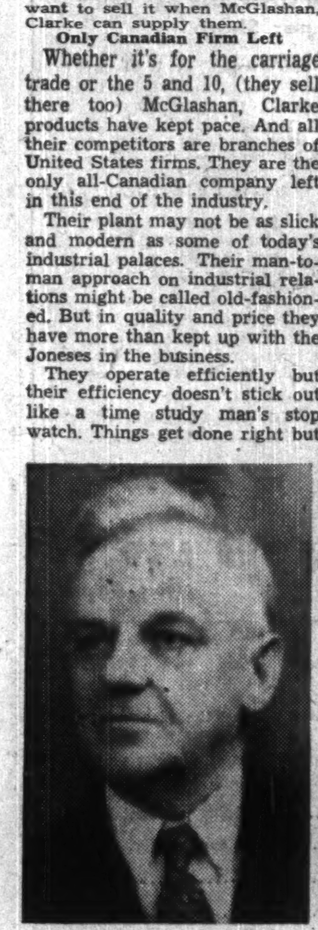
The nickel silver is cut into spade-shaped blanks if the finished product is to be a spoon or fork or tomato server, etc.; if a knife, flattened and shaped by forging. Then they pass through 30-67 different operations—annealing furnaces, rolling, squeezing, grinding, cutting and trimming machines, polishing, plating and rouge buffing which give the products their final finish.

Out of this intricate process of silvermaking come the famed McGlashan, Clarke lines. At today's prices, tooling alone for the various pieces in a new design would come to around $50,000.

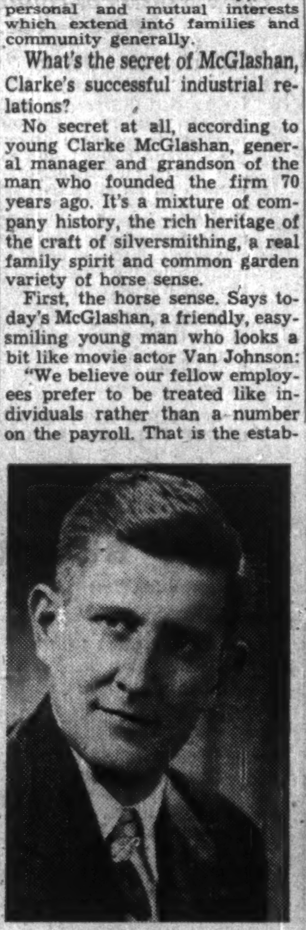
For the "class" retail trade, McGlashan, Clarke makes three lines: King's Plate, the No. 1; Queen's Plate and Cataract Silverplate. In addition, they sell to other lines to hardware and chain stores.

From their hotel and contract division they supply the leading hotels, restaurants, hospitals, clubs and institutions in Canada and through the British Empire. They have a small market in South America. They also make knife blades for other flatware manufacturers.

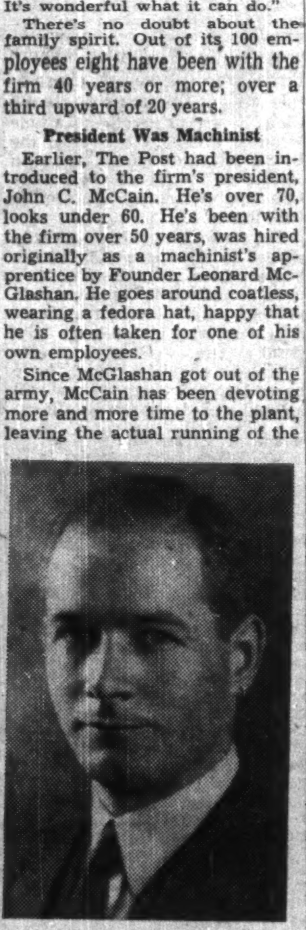
Today, demand for McGlashan, Clarke products is greater than ever before, said Eyre Davis., vice-president in charge of sales, who makes his headquarters in the company general sales office CPR Building, Toronto.



JOHN C. McCAIN,
president



CLARKE McGLASHAN,
general manager



EYRE DAVIS,
vice-president in charge of sales

What Is Position Foreign Aircraft Entering Canada?

What is the position of U. S. company aircraft and foreign chartered aircraft coming into Canada?

Information on this point received by the Western Canada Petroleum Association from the Customs & Excise Division of the Department of National Revenue is as follows:

"As far as Company aircraft are concerned, the Air Transport Board takes no direct interest in their movements so long as they are not flown for gain or hire in any way. From a Customs viewpoint, we do not raise any objection to their use in conveying Company personnel and associates from points in the United States to points in Canada; in other words for international use. We do feel, however, that if the aircraft is used to pick up and drop passengers and cargo in Canada, it should be duty paid.

"On the other hand, any aircraft used under charter can only be given Customs clearance if the pilot at time of entry can display individual authority from the Air Transport Board for the particular flight in question. If this authority merely gives permission for a flight from some point in the United States to Calgary, then the plane cannot proceed beyond Calgary and the passengers must be transshipped. If, however, the destination in Canada given in the Air Transport Board authority is some inland point, the aircraft may be permitted to carry the passengers to that particular destination or to pick up passengers at some inland point if the authority is for outward rather than an inward flight."

Man. Power Comm. Oct. Use Up 32.9%

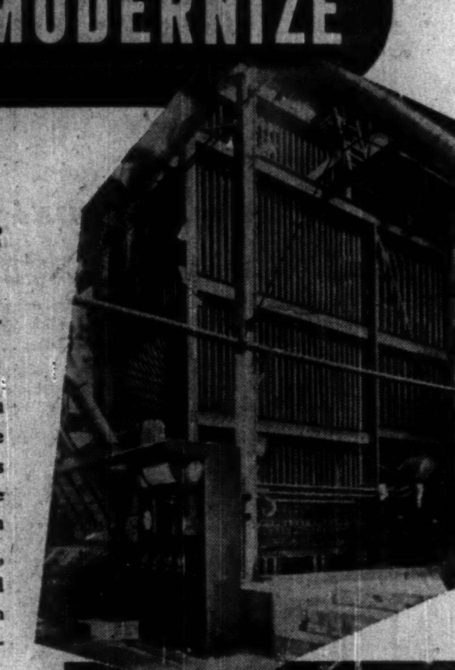
Kilowatt hours purchased and generated in October by Manitoba Power Commission totaled 17,546,988, a 32.9% increase over the same month in 1948.

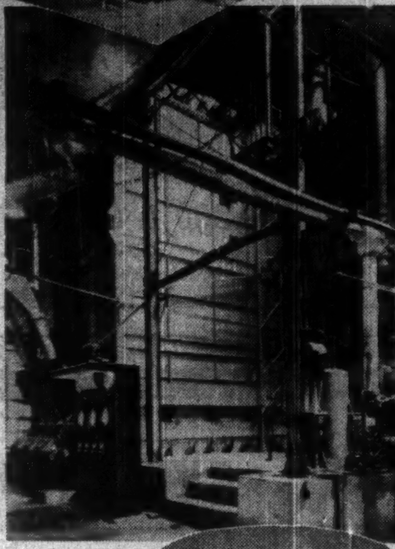
A further 400 farms in Manitoba were connected to the Hydro system during October, General Manager W. D. Fallis announces. These are located in the municipalities of Louise, Montcalm, Elton, Odanah, Cornwallis and Westbourne.

Construction of a new terminal station at Neepawa was begun in October and additions to the new Parkdale terminal station are progressing satisfactorily. At Letellier, a new substation was put into service to provide greater capacity for the surrounding farm area and to improve service to the villages of Letellier and St. Joseph.

WHEN YOU MODERNIZE

Build-in this extra value-





Once the casing of a Babcock boiler installation is in place, much of the thought and experience that has gone into the development of the unit is no longer apparent. Its adaption to suit space requirements is, of course, easily visible, and even the interior may be inspected during operation, but chiefly by examining the service records and balance sheets can you find an accurate indication of the advantages of BABCOCK design, engineering and experience.

In ability to handle fluctuating loads economically, utilize any fuel efficiently, and give long years of trouble-free service, Babcock boilers excel. Measure the amount of savings and you measure the better construction that has made Babcock boilers world famous.

The Type F unit with travelling grate stoker is shown before and after encasing. It is designed to burn lignite and deliver 70,000 pounds per hour steam at 275 pounds pressure.

BABCOCK — We have the engineers, equipment, craftsmen, and experience, to build the right power plant for your requirements.

BABCOCK "INTEGRAL-FURNACE" BOILERS

BABCOCK-WILCOX & GOLDIE-McCULLOCH LTD.
GALT, ONTARIO
Branches: Montreal • Toronto • Calgary • Vancouver

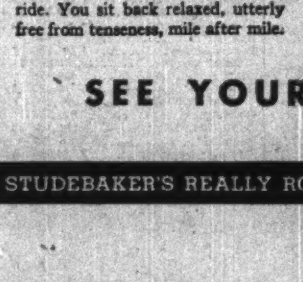
CITY OF TROIS-RIVIERES, Que., new issue of $134,000 of 3%-3¼% serial 15½-year bonds has been sold to Casgrain & Co. at a price of $99.60 or a cost to the municipality of 3.263%. The bonds are dated May 1, 1949 and mature from Nov. 1, 1950 to 1964, of which $30,000 due 1950-1959 are 3%'s and $104,000 due 1960-64 at 3¼%'s. Proceeds are for waterworks and sewers.

CITY OF CAP-DE-LA-MADELEINE, Que., new issue of $315,000 3%-3¼% 20-year serial bonds has been sold to O'Brien & Williams at a price of $97.69 or a cost of about 3.445% to the municipality. The loan consisted of $125,000 of 3%'s due 1950 to 1959 and $189,500 of 3¼%'s due 1960-1969. Proceeds are for waterworks, sewers, paving, etc.

Treat yourself to the thrill of this

New 1950 Studebaker's "Miracle Ride"

TAKE A LOOK! TAKE A RIDE! YOU'LL TAKE IT AWAY!

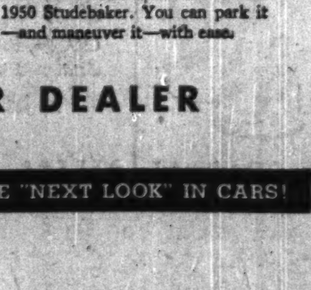


WATCH IT FLATTEN OUT THE BUMPS! Rough going doesn't even ripple the smoothness of a 1950 Studebaker's ride. You sit back relaxed, utterly free from tenseness, mile after mile.

THIS is our very cordial invitation to you to come in and drive this amazing new 1950 Studebaker.

You've never experienced the like of the ride, the handling ease, the sure-footed safety, the brilliant all-around performance of this dynamically different new car.

Canada is buying this low, long, alluring 1950 Studebaker faster than any new car Studebaker ever introduced before. Come in and get behind the wheel of this excitingly new 1950 Studebaker. Get the driving thrill of your lifetime!



WATCH IT HOLD STEADY ON CURVES! You wheel around turns without weave or wander in the sure-footed 1950 Studebaker. You can park it—and maneuver it—with ease.

SEE YOUR NEAREST STUDEBAKER DEALER

STUDEBAKER'S REALLY ROLLING! STUDEBAKER LEADS AGAIN WITH THE "NEXT LOOK" IN CARS!

Gentlemen
THAT YEARLY QUESTION

"WHAT TO GIVE THE LADY ON YOUR MIND"

May we suggest that you solve this problem by applying sound business judgment and consideration of these facts:

(a) The average lady is interested in and likes Antiques, whether they be Furniture, China, Georgian Silver or Objets d'Art.

(b) An Antique Gift is sure to please, and, at the same time is a sound investment.

MAY WE SUBMIT FOR YOUR CONSIDERATION

AN ANTIQUE CHAIR—*to fill that empty space in her living room or boudoir*

A CHINA FIGURINE—*for her china or curio cabinet*

A SILVER OR CHINA TEA SET—*for afternoon entertaining*

A SILVER WINE TASTER—*for her use as an ash tray*

A CHEST OR TABLE—*for her continual admiration*

A GIFT CERTIFICATE—*for her own selecting*

Competent staff to assist your selection, in an atmosphere of quiet, conducive to buying.

Gift wrapping a specialty

Open evenings for business men by appointment

MORGAN TRUST *Galleries*

A Department of Morgan Trust Company

442 SHERBROOKE ST. W. MONTREAL

HA. 0251 and 2

Future of Welfare Enterprise

An Analysis of Major Problem for Industry

How should business and industry meet the Socialist challenge of the Welfare State? Recent developments in the United States on the issue of employee pensions have brought the problem of social security to the forefront. Following is a digest of speech made last week before the Toronto Board of Trade by Edgar Burton, president of Robert Simpson Company Limited, dealing with this important topic:

By E. G. BURTON

In 1950 it can be said without question or doubt that our social and economic system is at the crossroads. Which way are we going? Shall we continue to preserve and enlarge the great benefits of democracy, or are we willing to see them go by default by allowing government to take the initiative, particularly where human welfare is concerned?

You hear a lot these days about preserving our democratic way of life. We all believe in democracy as opposed to dictatorship, but few realize the real danger of losing what we have by asking or allowing government to expand its field of activity in social security.

The principal ingredients of a working democracy are its political, social and economic freedoms. A few years ago economic freedom did not mean much more than the right of the individual to look for a job where he wanted and when he wanted. Since the turn of the century, however, a new understanding of this idea has been developing. Economic freedom without a large measure of security for the individual is no longer acceptable to most Canadians. This being the case, it seems clear that businessmen must decide very soon whether they want a Welfare State such as the Socialists advocate, and which can lead only to dictatorial power in the hands of a few, or whether businessmen large and small will meet these new responsibilities.

Welfare Enterprise

Let us call this new challenge to business Welfare Enterprise. What does that mean? Among other things, it implies:

(1) that business will make a determined effort to stabilize employment;

E. G. BURTON

(2) that it will assist in underwriting retirement security;

(3) that it will give opportunities for profit sharing;

(4) that it will conduct its affairs so that the individual employee is able to identify his own fortune more closely to the success of the business for which he works.

This is perhaps the greatest challenge to industry today.

Welfare Enterprise should not be approached by businessmen grudgingly, or as charity with no return, but it should be undertaken positively as the best investment in the world. Many firms and industries are accepting the challenge, but there is much to do. To be sure, welfare measures cost a lot of money, but I maintain that our businessmen have solved many more difficult problems in the past and they can surely find the answer to this one as well. Business must largely pay for it in any event, whether it does the job or the Government. Should business not be able to do a better job and at less expense to ourselves and to the country? At the same time such action would limit the menacing power of the state to control, to direct, to make compulsory the surrender of our freedoms to obtain a small measure of security is a hard bargain — one which both employers and employees should regard with distrust.

Must Take Competitive Risks

We should not forget, however, that our first priority as businessmen is risk taking. That in the last analysis makes all employee welfare possible. We should be proud indeed that faith in the future is being expressed by the $3 billions which is being spent this year on capital projects by Canadian industry. It is being done largely by Canadians out of their own financial resources.

Competitive risk taking is good for all of us whether our business is large or small. Fortunately, there are few businessmen shortsighted enough to think that profits can be legislated into existence. There are even fewer Canadians who use the convenient excuse of high taxes, high prices or a pessimistic business outlook for a do-nothing attitude. The vast majority of our businessmen are more interested in increasing their company's production and distribution facilities, than the maintenance of a status quo. In Europe, unfortunately, a different attitude appears to exist.

If, therefore, we grant that business should continue to perform the risk-taking role which increases its ability to provide more real security for its employees, how should we go about meeting the basic need of the individual?

How To Do It

In some cases much can be done to cut down the seasonal unemployment problem. While there are many people who desire occasional employment, such as students, housewives, and others, one of the greatest challenges to industry is to provide more stability for those wishing full-time employment.

It may be impossible to eliminate entirely the seasonal factor in business, still, much can be done and is being done. Production for inventory in slack periods—the processing of byproducts—the promotion of sales in off seasons, are all good examples of this desirable goal.

Retirement Security is a live issue today, and it should be. In a time when many people are living beyond normal retirement age, the financial problem of old age is an understandable worry of every worker. There are already in existence many different kinds of retirement plans. They can be entirely paid for by the company, or they can be contributary. In a few cases great success has been obtained by linking a pension annuity scheme to a profit-sharing plan. Retirement security is essential if we are to maintain the family as a social and economic unit.

But perhaps the most important basic need of the worker today is the recognition that he is an individual. The growth of corporations and unions has made it more difficult for an employee to make his personality felt outside of the group. The time has arrived to do something about this problem.

Employees Not Statistics

Reduced to its simplest terms, it means that an employee must never be regarded as a statistic in a wage office or a percentage on a cost sheet, but rather as an individual—a person—which he most definitely is. There are many ways being used to tackle this important human problem. Little will be accomplished in bridging the gap by such techniques as company magazines, public address systems, rest homes, staff meetings, and human relations counsellors, unless the manager and foreman of every department of a business considers himself first and foremost a personnel officer.

We should remember that the average worker finds it difficult to be enthusiastically loyal to that legal entity, the corporation. He must be able to identify his work, his associations, and his loyalties, with the men who are his managers. They must be more than names in an annual report. It is the job of management to convince the individual employee that he is an active, not a forgotten part, in the size and success of his company.

Some of you may question whether we can afford to do all these things. I say we not only can, but we must afford them. Some of the most successful companies in the United States and Canada are those which for years have been following a program of the kind I am advocating.

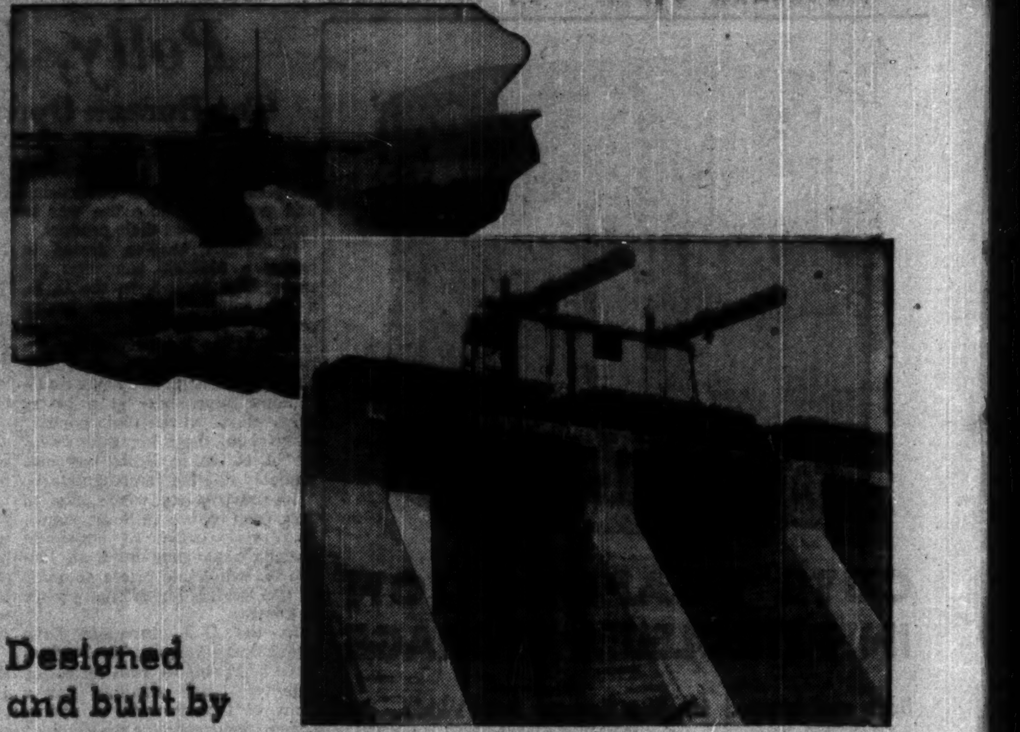
Would Increase Productivity

It has been estimated that the average increase in industrial productivity here is normally about 3% a year. I suggest that a vigorous program of welfare enterprise by the great majority of Canadian employers could raise industrial productivity to perhaps double the normal rate of annual increase which would tremendously improve the standard of living of our people in a remarkably short time.

This would open up many golden opportunities for Canadian young men of initiative and imagination and make our country far more attractive to them than the U. S.

The alternative is not one which I would wish to see. The so-called Welfare State, about which we hear so much, and which is so little understood by the average man, is being subtly infiltrated by those who ask or permit the Government to take responsibility for the economic security of the individual. It is also being hastened when any pressure group, irrespective of what section of the community it is representing, asks the Government for protective legislation to limit the effects of competition in any particular industry.

The more we ask from government, the more powers we must give to government. It is definitely the pathway to rule by compulsion. It is a sure means of getting not more, but less democracy, not a higher but almost certainly a lower standard of living for all.



Designed and built by

KENNEDY

At many of the sources of Canada's great water power, powerful Kennedy Stop Log Machines control the flow of water through the dams. In contrast to early models which were exposed to all weathers, most of the hoists now built are fully housed.

These Stop Log Machines are of patented design by Kennedy, one of many types of equipment produced by our machine design and construction facilities to our own designs, or on a contract basis.

Ask for our illustrated book, Machine Design and Construction.

KENNEDY

Designers and builders of machines and equipment for the pulp and paper, mining, rubber, cement and other industries.

THE WILLIAM KENNEDY & SONS LIMITED
OWEN SOUND, ONTARIO
STEEL FOUNDRIES AND ENGINEERING WORKS
MONTREAL OFFICE: Canada Cement Building
HALIFAX: C. A. Fowler, Capitol Bldg. NORANDA, V. K. Polk, Box 334. HAILEYBURY: John H. Brumell

Canadian Representatives of the FALK Corporation, Milwaukee, Wis.

They make such wonderful gift parcels . . . so inexpensive . . . Laura Secord Candies just naturally find their way into everybody's gift and shopping list! Everybody loves them. There's something about these famous, fine candies with the old-time goodness that "belongs" with the feasting and celebrations that make Christmas the happiest day in the year.

All your old favourites and many delicious *new* Laura Secord treats await your choosing now . . . delivered fresh every day from the studios to your neighbourhood Laura Secord Candy Shop.

We will be glad to pack and mail your Christmas box of Laura Secord Candies to any address. Just ask the saleslady.

Two pound boxes $1.50

Laura Secord
CANDY SHOPS
ADelaide 1473

Beautiful SCRATCH-RESISTANT one-piece PLASTICS

cut production corners in the radio and television industry

GENERAL ELECTRIC
custom-moulded Plastics serve every industry

Radio manufacturers discovered that the plastic cabinet lent itself beautifully to modern design and to color that created customer appeal. Now television is fast adopting these low-cost, scratch-resistant, attractive plastics for its receivers. Both radio and television cabinets are custom-moulded by Canadian General Electric in the most modern plastics plant in Canada.

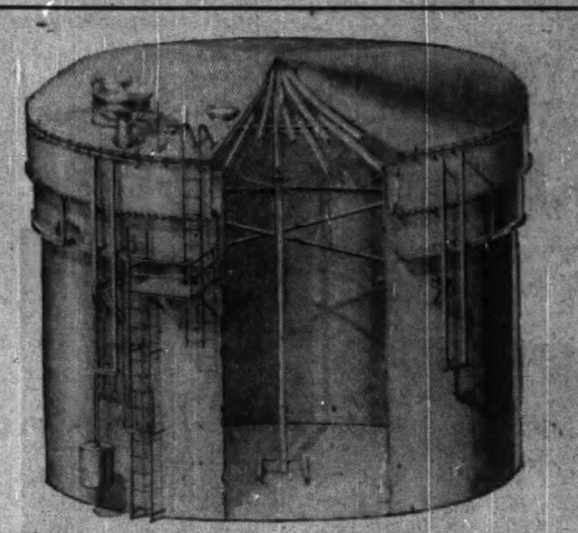
The television cabinet illustrated and made by C.G.E. for Admiral Corporation is the largest one-piece plastics moulding job ever produced in Canada.

Your problem may be totally unrelated to radio or television but it's likely that you have a product or manufacturing process where plastics will cut costs and production corners. Consult a C.G.E. plastics technician today.

49-MD-8

CANADIAN GENERAL ELECTRIC COMPANY LIMITED
Head Office: Toronto — Sales Offices from Coast to Coast

Complete Transfer, Injection, Extrusion, and Compression Moulding Facilities



CUTS EVAPORATION IN PETROLEUM STORAGE

Built and erected by The Toronto Iron Works, the petroleum storage tank shown is designed with the Improved-Wiggins Dry Seal Lifter Roof — the most economical answer to cutting down evaporation losses.

Savings quickly pay for installation of Improved-Wiggins Vapour-saving mechanisms—in some cases within a year. Write us for complete information.

THE TORONTO IRON WORKS LTD. STEEL PLATE PRODUCTS

DESIGNERS, FABRICATORS, ERECTORS • TORONTO • CANADA

Polly, Put the Kettle On

Tea Bureau Opens Big Campaign to Boost Cuppage

Tea people in Canada and the United States are today brewing their first big pot of advertising and promotion since the war to increase usage of their product.

In Canada, they've started to serve; a $100,000 campaign got under way Nov. 1. In the U. S., a $1 million program begins sometime in January.

And if the tea people had arranged it themselves, the coffee shortage and price increase couldn't have come at a better time. Just when that popular ditty about there being an awful lot of coffee in Brazil becomes outdated, the tea campaign starts.

In the past six weeks, due to poor crop reports in South America, retail prices of coffee in Canada have gone up from 12c-15c lb.; wholesale prices as much as 19c. Dealers say there are more to come.

In the U.S., increases have been much steeper. Housewives have been staging runs on coffee supplies. Some retailers put a limit of four pounds to a customer. Said one: "It's a tempest in a coffeepot."

But tempest or not, it was sweet music to the ears of tea men. "But I assure you," one told The Post, "that we had nothing to do with either the coffee shortage or with timing our promotion campaign to break with it. It's sheer coincidence, nothing more. We have no crystal ball."

After a lapse of eight years, the Canadian Tea Bureau, representing the major tea producers of the world, is back in the advertising field. The interlude was due to shortages of both tea and dollars.

Today tea shortages have largely disappeared. As a result, producers have provided Tea Bureaus which increased funds to ballyhoo their brews.

Campaign Points

The campaign will emphasize four main points:

1. Tea's economy. Only 40% of housewives know, say they, that a pound of tea will serve at least 200 cups against 50 for a pound of coffee. Including milk and sugar, a cup of tea costs about 1c.

2. Rules for making tea: The water should be boiling "furiously." Steep for at least five minutes. It should never be "kept hot" on the stove. Use only fresh water. Stale water or hot water out of the tanks has little or no oxygen. If using tea bags, don't "double dip." Use a fresh bag for a second helping. If loose tea, one teaspoonful for each person, one "for the pot."

3. Popularizing afternoon tea: Before the war nearly 20% of all Canadians had afternoon tea regularly, their surveys show; today less than 9%. To restore the habit, the campaign will suggest that afternoon tea makes the day's chores easier, in the home, office or factory. For the latter, the Tea Bureau has helped develop efficient tea-making utensils which assure a good cup every time. The Canadian Restaurant Association is co-operating by making a feature of it. Waitresses have been ordered not to ask: "Coffee?" but, "Tea, coffee or milk."

4. More profit for all: The more people get the afternoon tea habit, the more cakes, biscuits and allied foods are sold. Grocery chains, distributors, bakers have all agreed to co-operate in pushing the afternoon tea habit.

To put it over, the Tea Bureau is using all media, including booklets for restaurants, showcards and sales aids for retailers. The highlight will be radio flashes around 3.30 p.m. to remind the housewife that "now is the time to put the kettle on for that afternoon cup of tea." A tinkling bell will herald each spot.

If the campaign clicks, it means an increase in Canadian tea consumption. Today it's around 45 million lbs. against 70 million lbs. of coffee annually; by cups, 800 per Canadian against 350 cups of coffee. The explanation: tea goes farther than coffee.

Apart from water itself, more tea is consumed in the world today than any other beverage; something like 1.35 billion pounds annually or 740 million cups a day.

Individually, the British are the tea producers' best customers. They down an average of 2,000 cups a year per person; Canadians, 800 and Americans, only 150.

Britons drink more tea at every meal; Americans more coffee. Surveys show Canadians follow a middle-of-the-road pattern: At breakfast, only 28% drink tea; at noon, 60% and at supper, 64%.

Where does Canada's tea come from? Mainly Ceylon and India at present, although some comes from British Africa, Pakistan, Java, Sumatra and China. Prewar, India was the leading supplier.

Only now is the tea industry getting back on its feet. When the Japs overran Java and Sumatra, the world was deprived overnight of 20% of its tea supplies, leaving India, Ceylon and British Africa faced with a demand of 200 million pounds more than they could supply.

The result was world-wide rationing which is still in effect in England and Australia. Despite a 40% increase in production in India and Ceylon, demand still exceeded supply. Only re-entry of Java and Sumatra could take up the slack. Because of the extensive damage to tea estates, recovery has been a slow job. What's more, tea cannot be grown overnight. It takes seven and sometimes 10 years for a tea bush to mature. As a result, these two areas are not expected to contribute much to world supplies until 1950.

However, as far as Canada is concerned, the shortage is a thing of the past. After a lapse of eight years, tea people are out selling again.

faster figure facts at your fingertips . . .

on the finest adding machine in the world. New color engineered beauty, in smart modern two-toned gray finish, new simplicity with complete electrification.

As fast as you read them, enter the figures on the simple, 10-key keyboard—flick the total bar—then watch its efficiency in action. Operation is extra smooth—extra easy.

Numeral keys of this surprisingly compact electric adding machine are grouped scientifically—feature keys electrified; noise and vibration cushioned to an absolute minimum. Your seasoned operators automatically attain new high levels of touch method speed and accuracy—and beginners find their fingers expertly flying over the keyboard after a very short time.

But see for yourself. Phone our representative in your city or write for the free booklet "Cushioned Power" to Remington Rand Limited, 199 Bay Street, Toronto.

for every figuring requirement . . .

In addition to electric adding machines, Remington Rand manufactures the famous Printing Calculator — the only figuring machine that multiplies, divides, adds and subtracts with every factor and every answer automatically printed on the tape. Whatever your figuring requirements Remington Rand can supply you.

THE Remington Rand

ELECTRIC ADDING MACHINE

Ottawa to Quit as Landlord

Sell 1,350 Houses in Alta.

Ottawa has given notice to Calgary and Edmonton it plans to sell its basementless "wartime" houses—1,350 of them in the two cities—at an average $4,300 or total $5.8 millions.

It was the West's first concrete indication from Central Mortgage & Housing Corp., of that agency's intention to quit its position as landlord of subsidized rental housing. Date of the sale project is expected to be Jan. 1. Involved in immediate sale plans are 750 houses in Calgary, 600 in Edmonton.

A condition of sale is that the cities accept $200 as the price of each lot, instead of $400 set forth in 5-year agreements made in 1945 and with months yet to run. Offsetting this is that the houses, when sold, automatically go on the normal tax roll instead of costing the cities about $50 a year per house in the form of a municipal subsidy through the presently agreed taxation of $60.

When agreements were drawn up in 1945, the cities deeded the lots to the crown company on the understanding they would be paid for at $400 each upon sale of the houses. If sales took place after 5 years, the lot price would be only $200.

Present tenants will get first offer. If they don't want to buy, the houses will be offered to veterans on a point rating priority. Down payment will be 10%, or about $430. Balance of about $3,870, amortized over 25 years, will involve monthly payments about $3 a month more than tenants are paying now as rent.

If city councils won't halve the lot prices, as now asked, CMHC won't offer the houses for sale until after mid-year.

In Edmonton, CMHC already has sold almost all the first 350 war workers' houses, with basements; the first built there. Not proposed for immediate sale are 500 new "wartimes" built in 1948-49, all with full basements. It's thought likely the latter will be sold within the next two years.

"A Specialty Leather Goods Shop"

SINCE 1842

fine luggage is a welcome gift for any occasion.

HARCOURTS

LEATHER GOODS

103 King St. W. AD. 6851

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

ONTARIO STEEL PRODUCTS CO. net profit for the 15 months ended Sept. 30, 1949, amounted to $653,748 as compared with $225,745 for the year ended June 30, 1948 (fiscal year has been changed to period ending Sept. 30 of each year). Benefits of past expenditures on plant, etc., showed up in expanded sales volume. The easing of the raw material supply situation also helped company to chalk up record sales volume.

A building for manufacture o[f] bumpers has been completed a[t] Chatham except for electrical equipment which manufacturers are unable to deliver until early 1950. A new boiler house and new boile[r] will be ready by autumn. A new rod heating furnace was installed in connection with manufacture of coil springs for automobiles. Additional equipment has been purchased and existing units remodelled to provide increased capacity at each stage of coil spring manufacture. Major alterations and improvements in the flat spring department have been made.

At Gananoque, various machines have been installed to improve and increase the production of automotive axles. Net cost of all the capital expenditures in current fiscal year was $340,126. During period July 1, 1946, to Sept. 30, 1949, total expended has amounted to $713,426.

INCOME ACCOUNT

	15 mos. ended Sept. 30 1949	Year ended June 30 1948
Net earnings	$1,610,782	$636,970
Less: Deprec.	165,303	104,056
Mtge. interest	......	1,841
Trust Note int.	25,773	7,772
Inc. tax res.	555,000	216,300
Loss on assets sale	12,975	1,056
Contingency res.	200,000	80,000
Add: Invest. prof.	2,017	......
Net profit	653,748	225,745
Less: Pref. divds.	31,526	25,221
Common divds.	108,990	60,550
Surplus for year	513,232	139,974
Earnings per Share and Dividend Record:†		
Preferred	$181.45	$62.65
Paid	8.75	7.00
Common	12.85	4.14
Paid	1.50+0.75	1.00+0.25

†For 15-month period in 1949.

CONDENSED BALANCE SHEET

As at:	Sept. 30 1949	June 30 1948
Cash	$357,922	$356,397
Accts. rec.	1,003,631	698,105
Inventories	1,011,748	872,573
Total curr. assets	2,373,301	1,927,075
Mkt. securities†	189,500	189,501
Prepaid expenses§	30,472	19,653
Misc. assets▲	223,650	284,244
Fixed assets*	1,461,039	1,302,144
Total assets	4,177,968	3,622,617
Accts. & tax pay.	634,084	666,962
Divds. pay.	30,525	30,525
Notes due	75,000	75,000
Total curr. liab.	739,609	772,487
Notes pay.‡	543,000	675,000
Conting. res.	280,000	80,000
Capital stock	1,203,380	1,203,380
Earned surplus	1,411,999	891,770
§Included in curr. assets in co's report.		
*After depr. of	921,817	760,512
▲Incl. ref. EPT	111,871	108,311
†Market value	176,485	163,368
‡Assigned against collateral trust notes.		
Working capital	1,633,692	1,154,588

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Uncounted billions of feet of timber, now made into valuable products, testify to the quality of **Waterous Sawmill and Pulp and Paper Mill Machinery.** Miles of Canadian streets and highways constantly prove the strength that can be built with Waterous **Road Machinery.** Each day, Canadians demand and receive millions of cubic feet of steam from Waterous **Boilers.** Throughout Canada these Waterous products, made for their job, serve faithfully. Come to this source for reliable machinery.

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THE ADVERTISING BUSINESS

By WALLACE GILLESPIE

They'll Make Ad Dollars Work Harder

Agencies Find Clients More Definite in Plans for 1950

Here's what advertising agencies recommend for 1950, when they expect continued high sales, greater competition and greater consumer selectivity:

1. Study possibility of repeating good ads.

2. Unless you believe your product could win brand loyalty by straight consumer advertising, don't expect premiums, couponing, or contests to do it.

3. Re-examine design of product and package to see if it encourages "impulse buying" in self-service stores and meets possible future need for television presentation.

4. Prune out the "marginal media" (convention programs, lodge publications, etc.) and concentrate on proven media and dealer aids. If necessary, classify marginal media as sales promotion expenses, not advertising.

5. Reduce waste by keeping advertising and other selling efforts pulling in the same direction; then relate both to over-all company policy on production and distribution.

6. Use the most careful methods of selecting and training salesmen.

7. Employ "reason why" copy, rather than unexplained claims and adjectives. Be specific.

8. One agency is recommending that its clients spread out in their use of media.

In presenting recommendations for 1950 campaigns, Canadian advertising agencies are encountering less uncertainty among clients than they did at this time last year.

The explanation: planning is now based on the assumption that the much-talked-of period of intense competition has already been entered; that discussion of the "coming" buyers' market is needless; it's been here for some months.

With that point more settled than it was a year ago, clients have been showing greater willingness to come to grips with advertising policy. Most of them think sales volume is going to remain good, though the consumer will be more selective.

Those are the highlights of a survey of agencies conducted by The Financial Post.

Even last year's fears that advertising budgets would be the first to be clipped by cost-cutting comptrollers seem less imminent. Most large national advertisers, it is pointed out, wouldn't be large national advertisers unless they already have ample evidence of the power of an aggressive sales program. Examples of what happened to prosperous companies which stopped advertising are "old stuff." Today's realistic clients aren't asking for principles, but for ways to make their advertising dollars work harder. The vice-president of one large Canadian agency puts it this way: "There isn't any advertising money lying around now to gratify the vanity of the advertiser. There's a growing tendency to base the entire merchandising plan, including advertising, on ascertainable facts rather than on hunches."

This doesn't mean that advertising funds have grown slimmer. A large agency reports that, so far, none of its clients have struck budgets which are smaller than last year; another says cases of smaller budgets are more than counterbalanced by those which have been increased.

Nor has there been any shrinkage in sales forecasts, which continue to be the traditional base for computing advertising budgets.

Instead, the immediate outlook, as seen from the agency weathervane, is for a sustained high level of sales, paralleled by a high level of intensified selling effort.

What is Recommended?

What, specifically, are the agencies recommending to their clients to meet this situation?

One suggestion is that clients should consider whether advantages could be gained from repeating good ads. This is a ticklish recommendation for an agency to make, because someone on the client's side of the table is liable to retort that agencies should earn their commissions by preparing ads, rather than rerunning old ones.

On the other hand, rising production costs for advertising provide a background in which the agency can draw attention to certain surveys which show that readership tends to grow with repetition. Furthermore, repetition by itself is useful in driving home sales points. In general, people who are in daily contact with advertising campaigns tend to over-emphasize the need for fresh approaches, and underestimate the need for consistency of effort. On this ground, repetition of ads may make sense from the client's viewpoint.

Another bit of agency advice timely in a competitive period is this: always exercise special care if you are considering a premium or contest offer.

In such times, some people who constitutionally lack faith in longer-term advertising turn to premiums and contests because they like the speed with which they yield tangible results. There can be danger in this approach.

Don't ignore premiums and contests as possible weapons, says one agency head, but don't think they're a cure-all either. The best rule is: unless you are convinced that you could build brand loyalty for your product with straight consumer advertising, don't expect premiums and contests to do it.

Remember, a poorly conceived offer can boomerang. You load up your dealers with inventory and then—let us say—a chain variety store offers an item similar to your premium at a price which doesn't make your offer look like such an all-firing sensation. If the offer doesn't pull, the overstocked dealer mentally labels your product as a slow-mover. These days, when efficiency conscious retailers are limiting the number of brands in the same product class which they show on their shelves, that reputation can be dynamite. Sometimes, it could even be easier to scrap your brand name and start over again.

Packages and TV

Now what about the design of your product and its package? Does the revealed extent of "impulse buying" in self-serve stores, as well as the possible future need for visual presentation over TV, indicate that re-design would be in order? If so, this might well be an item for your 1950 agenda. We're getting steadily closer to a "Raymond Loewy" age (leading U. S. designer), says one Canadian agency executive, and every client should be constantly vigilant on design.

The same executive thinks clients should keep themselves posted on TV developments. He points out that a considerable number of our large national advertisers have affiliations on the other side of the border and, in many cases, these U. S. counterparts are already pioneering in TV. If Canada permits TV to be an advertising medium, Canadian advertisers may find themselves confronted with the problems of this new technique sooner than many people realize.

A development which agencies would welcome in competitive times would be for clients to consider their ads in "marginal media" (club programs, convention bulletins, etc.) as sales promotion expenses, rather than as advertising. This would provide a more realistic basis for gauging the advertising budget and the results it produces. Apart from public relations considerations, the agencies recommend the trimming of these marginal media and the concentration in regular media of proven worth.

For the coming year, the agencies seek further integration of their client's production, distribution, and advertising policy. This is an evolutionary development, and much headway has already been made. One agency reports that, on a couple of occasions, it has been asked for an opinion as to whether clients should undertake expansion of plant capacity—an unheard-of step 15 years ago. In those days, top drawer policy was cut and dried before the agency was called in, told how much money could be spent, and instructed to draw up the ads. Today, an agency wants to know how many units must be sold to produce a profit at such-and-such a price, and how many units must be sold to produce a profit at another "mass distribution" price. It then seeks to recommend whether the market could absorb the larger amount, and what the promotional costs of reaching that figure would be. The ideal budget, an agency vice-president explains, would be one in which the expenditure on advertising rises each year, but the ratio of that expenditure to sales volume drops yearly.

Train 'Em In A Hurry

A necessary part of this co-ordination, it is explained, is the client's responsibility to select and train the sales force. It isn't directly within the agency's field, but it has a lot to do with clinching the initial sales approach which is made by advertising. As one agency man puts it: "Clients who are not now using the most careful methods of selecting and training salesmen had better do so in a devil of a hurry now!"

One thing which is expected next year is greater stress on "co-operative" advertising, but it's impossible to say whether this comes under the heading of agency recommendation. The reason is the wide diversity of co-operative advertising.

As far as copy is concerned, one agency recommends that clients employ the "reason why" approach, rather than unexplained claims or adjectives. Believability, it contends, is the prime ingredient.

Specific copy is always to be desired, and many agencies include this in any list of recommendations. The only reason why specific copy is not more common is the difficulty which is often encountered in getting the client's technical departments to approve it without bulky qualifications. It remains, however, a formula for competitive times.

Will there be any change in the relative positions of advertising media? One executive says it is his "guess" that there will be no significant increase this year in Canadian-produced national network radio. His reason: the "entrance fee" in terms of talent and line costs has become too high.

Another large agency tells clients not to have "all your eggs in one basket"; it holds to a policy of diversified use of media. Currently it says it could name 10 or 15 advertisers who, heeding its advice, are spreading out in their use of media.

Greater competition, it forecasts, will not bring about any more rapid turnover in advertising accounts.

HERE'S HOW TO SELECT APPROPRIATE CHRISTMAS GIFTS FOR EMPLOYEES CUSTOMERS AND BUSINESS ASSOCIATES

In Birks Contract Department—on the second floor—you'll find a display of gift merchandise from all departments and a group of specially trained young women to assist you.

Each item selected is attractively gift-wrapped in a Birks Blue Box, with your personal card enclosed.

Birks ship all gifts prepaid to individual addresses anywhere in Canada.

Through our "Institutional Plan" special prices are available to Business Firms on quantity purchases.

For the client that's hard to please, a Birks Gift Certificate is your answer. Exchangeable for merchandise in any Birks store from coast to coast.

★

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STORE, MI. 4969—Accessory Dept., MI. 7636

CORNERSTONES OF CANADIAN INDUSTRY...

ONTARIO AGRICULTURAL COLLEGE, 1874 . . . *When this old stone house was being built, the owners had no inkling that their home was destined to become the first building of the first Agricultural College in Canada, serving as both classroom and boarding house. This fine Canadian school, started in 1874, ranks high among Canadian institutions of higher learning.*

Today, agricultural colleges across the Dominion are serving Canada's largest industry — educating young people in the scientific methods of farming— conducting research ranging from development of new grains to the control of insect pests and the eradication of noxious weeds. In addition to co-operating with the Canadian agricultural colleges, Dow has extensive research programs of its own contributing valuable information and new agricultural chemicals for the improvement of Canadian crops and livestock. The most recent of these from the Dow laboratories are Lindane — 25% — Wettable, a new and improved spray for fly control in dairy barns, and Sodium TCA 95%, a long-sought means of controlling perennial grasses. Look to Dow for agricultural chemicals.

DOW CANADA

DOW CHEMICAL OF CANADA, LIMITED
204 RICHMOND STREET WEST TORONTO 1, CANADA

Here's a full-length coat for walking, winter driving, curling, watching sports or wearing to work. You'll be surprised how little it weighs, and how comfortably it keeps you warm. Quilted *Intercel lining, warm fur collar, belt for snugness ... Deacon tailoring for fit, style and comfort

A smartly tailored *Aeropile-lined sports coat for fall and winter — three-quarter length, fur collar, snugly belted ... to give you lots of warmth without weight.

*T.M. Reg'd.

Deacon Brothers LIMITED
BELLEVILLE CANADA

Banks' Lending Policy Shows Little Change

Anxious to Make Loans if Borrower Can Use Money Profitably With Reasonable Prospects of Repayment Under Increased Competition

Are banks loans harder to get? Canadian bankers told The Financial Post almost unanimously there was practically no change as regards loans to good risks in Canada. A borrower with a good proposition can get a loan as readily as ever, they declared. But there is at the same time a general tendency to screen loans more carefully than, say, two years ago.

Opinions expressed at the national convention of the American Bankers Association indicated that while "good risks" in the United States would have no trouble getting a short-term loan from their bankers, borderline cases which are not "surefire" will have more difficulty while long-term loans may definitely be hard to get, even for businesses with good credit records.

Anxious to Lend

Bankers generally declare they are anxious to make loans, provided they can do so with reasonable security of principal. One banker put it this way. "Banks are just as anxious to lend money as a retailer is to sell goods. It's out of loans that the banks usually make most of their revenue, just as a retailer makes his by selling merchandise, and both must do business if they are to stay in business. But neither can last if they do business at a loss."

The ease with which loans are obtained is of course affected to some extent by general business conditions. One banker explained that two years ago a merchant had no fear that he would not be able to sell his goods; he was not afraid of price declines. Today surpluses have appeared in some cases. Prices of some commodities are not as strong as they were. Reductions or declines have appeared in some instances. The result is that it takes more ability and experience to run a business than it did. Business is now on a competitive basis more than at any time since before the war and accordingly bankers have to screen aplications for loans more carefully.

Loans Above 1948 level

In September bank statement, current loans, the ordinary loans to business, were about $253 millions above Sept. 30 last year, up $124 millions over Aug. 31, which does not look like a contraction of lending. Much of the increase in September loans over August was due to the movement of the western crop, but there is also some borrowing, as usual, by the lumber industry and some by general business.

One thing that does tend to curtail borrowing in some instances is the fact that many business concerns during the prosperous postwar years have accumulated substantial financial reserves of their own and accordingly don't need to borrow. Many of those who are borrowing are those which undertook substantial building or expansion programs and haven't caught up with their capital expenditures yet.

Loans which might have any inflationary effect, however, are definitely discouraged in the interest of all concerned, including the borrower and lender and the general economy of the country.

Purchase of Real Estate

Another class of loans scanned carefully are those for the purchase of real estate because of present high values.

Long-term loans in Canada are not usually made by the Canadian banks, that being left mostly to the loan companies. Under the Farm Improvement Loans Act and the Veterans Business and Professional Loans Act, however, loans are being made for longer periods.

Said one banker, "One important test we use in making a loan is, if the borrower can use the money profitably."

By and large, accordingly, the Canadian banks are not making any attempt to restrict their loans but are anxious to lend wherever they can with reasonable safety. The prospects of the borrower are being appraised more carefully, as they may be affected by price and market changes as well as his own experience and abilities to meet present competitive conditions.

Many business men of their own volition moreover, are keeping their business as liquid as possible until the longer business outlook becomes better clarified.

But the consensus indicates that Canadian bankers have made no change in their general lending policy.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

HIRAM WALKER-GOODERHAM & WORTS net profit for the year ended Aug. 31, 1949, was off 4.9%. Net sales amounted to $294,112,700 ($310,252,924). In previous year a non-recurring dividend of $1,081,806 was received from Canadian Industrial Alcohol.

For the third consecutive year, production in the U. S. and Canada was well in excess of sales. Program of building up whisky inventories reduced during the war years has been completed and production is now on a replacement basis. With larger quantities of whisky produced in the U. S. becoming four years old in 1950, competition for that market, by far the largest in the world, will grow more intense, President Howard R. Walton stated.

Apparent consumption figures for the eight months ended Aug. 31 show a slight increase over the same period in 1948. At the same time there is evidence of a marked rise in sale of illegal spirits in the U. S. brought about primarily by the excessive federal excise tax, the annual report states.

Net earnings of the Scottish and Argentine subsidiaries in the year amounted to $2,078,947. Profits of $332,269 were transferred by Hiram Walker & Sons (Scotland) to the parent company in Canada. During the year the Argentine Government made no funds available for transferring earnings out of the country.

As a result of currency devaluation, the increase in value of company's net assets in the U. S. exceeds the reduction value in Great Britain and Argentine.

In the past year some purchases of selected bulk whisky were made to augment supply. It is expected that this purchased whisky will be used before Aug. 31, 1950, with a resultant higher cost per case and lower profit per case on these brands.

CONS. INCOME ACCOUNT

Years Ended Aug. 31:	1949	1948
	$	$
Net sales	294,112,700	310,252,924
Total net income	44,279,471	†45,244,441
Less: Deprec.	2,042,796	1,916,080
Debenture int.	661,065	816,288
Bank interest	8,758	44,441
Amort. deb. disc. & exp.	226,231	32,537
Misc. chgs.	85,014	69,356
Income taxes	17,606,982	17,255,544
Unreal. exch. loss	4,956	239,623
Net profit	23,643,669	24,870,572
Less: Com. divds.	5,772,296	5,411,527
Surplus for year	17,871,373	19,459,045

†Includes $1,081,806 nonrecurring divd. from nonconsol. subsid.

Earnings per Share and Dividend Record:		
Common	$8.19	$8.62
Paid	2.00	1.87½

CONDENSED CONS. BALANCE SHEET

As at Aug. 31:	1949	1948
Cash & Dom. bds.	$25,265,895	$30,214,847
Accts. rec.	16,633,580	14,770,276
Inventories	84,883,067	72,494,246
Total curr. assets	126,782,542	117,479,369
Prep. exp.§	1,346,763	1,690,221
Inv. partly owned sub.	3,163,931	3,163,931
Misc. assets▲	2,429,208	2,782,379
Fixed assets†	29,629,424	29,366,553
Total assets	163,351,868	154,482,453
Bank loan	864,300	208,800
Accts. pay. & accr.	3,906,844	3,817,111
Divds. pay.	1,443,074	1,082,305
Taxes pay.	20,930,228	19,253,188
Total curr. liab.	27,144,446	24,361,404
Funded debt	16,776,000	28,561,000
Contingent res.	1,300,000	1,300,000
Capital stock‡	17,241,615	17,241,615
Earned surplus	100,889,807	83,018,434
†After depr. of	18,905,154	17,068,483
▲Incl. ref. EPT	620,603	927,083

§Incl. in curr. assets in co's report.

‡After deducing $88,565, cost of 2,467 shares held by U. S. subsidiary.

Working capital	99,638,096	93,117,965

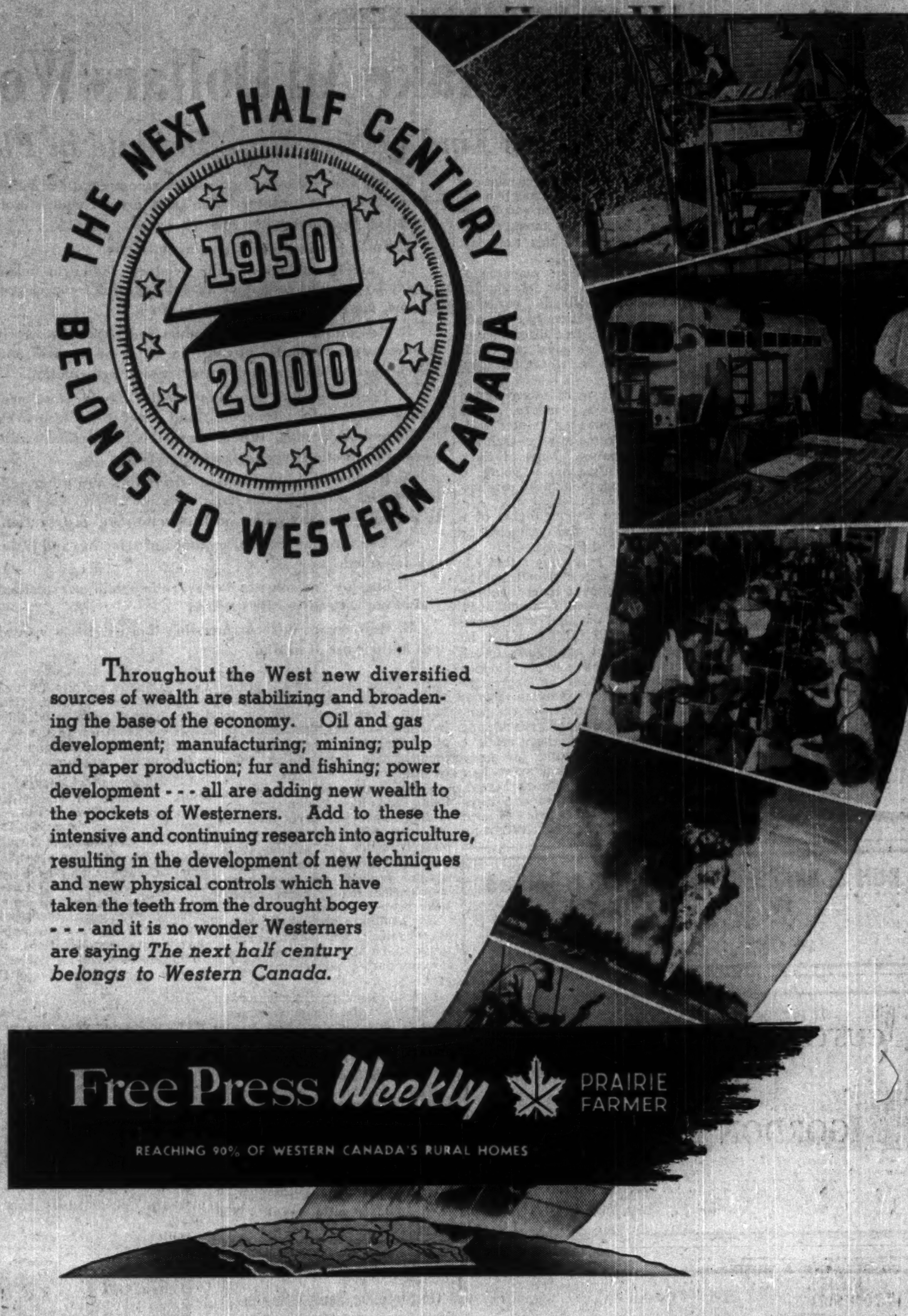
National Grocers Sales Are Higher

Sales of National Grocers Co. for the current fiscal year to date are up somewhat from same period last year, The Financial Post is informed. Operating expenses remain on a high level.

A new warehouse being constructed in Kitchener will likely be ready for operation next September. No other building is planned or under way at the moment.

Net profit in the latest fiscal year ended April 2, 1949, was $784,736, equal to $5.48 on the preferred and $1.93 on the common.

PROVINCE OF ONTARIO new issue of $40 millions 3% debentures dated Dec. 15, 1949 and due Dec. 15, 1968/70, is being offered at $100 by a large syndicate of banks and investment dealers headed by Wood, Gundy & Co. Proceeds are for purposes referred to in the Ontario Loans Act 1949.



Throughout the West new diversified sources of wealth are stabilizing and broadening the base of the economy. Oil and gas development; manufacturing; mining; pulp and paper production; fur and fishing; power development - - - all are adding new wealth to the pockets of Westerners. Add to these the intensive and continuing research into agriculture, resulting in the development of new techniques and new physical controls which have taken the teeth from the drought bogey - - - and it is no wonder Westerners are saying *The next half century belongs to Western Canada.*

Free Press Weekly PRAIRIE FARMER
REACHING 90% OF WESTERN CANADA'S RURAL HOMES

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And just as different garden plants produce different leaves, flowers, roots and fruits, so these manufacturing plants shape our aluminum into a variety of useful forms—kitchen ware, garden tools, furniture, bodies for aeroplanes and trucks ... all sorts of things which people want because they are light and economical.

We and these independent manufacturers make a team. They draw on us not only for aluminum but also for the technical services of our laboratories. And because we produce, here in Canada, a quarter of the world's aluminum, they are able to buy this metal at lower prices than anyone else anywhere.

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P. J. WARDLE

How Farm Picture Changing

It's Being Spurred by Soaring Machinery Sales

By WALLACE GILLESPIE

The typical Canadian farmer spent $50 on new equipment in 1938; last year he spent $237.

Partly this is due to a catching up on depression — and war-born backlog in demand — a development which is already bringing more competitive selling into the farm implement field.

More important, it is due to a speed-up in the technological revolution in Canadian agriculture.

What's taking place on Canada's farms today is one of the least-publicized indicators of Canada's development, but it's an equally significant and necessary counterpart to our recent emergence as a manufacturing power. It affects everyone. It is creating new rural-urban population patterns; it determines the efficiency with which our food is grown and the volume which will be available; it promises greater stability for our basic industry in adverse times.

"Farmers today," says a publication of the Dominion Department of Agriculture, "are better stocked with power and equipment in relation to cropland area than at any other time. They are likely to continue to add to machinery and implement inventories as long as farm incomes remain high."

There is a definite plotable relationship between the pace of mechanization and cash income. A U. S. analyst makes this point:

"Farmers' purchases of capital goods since 1910 indicate quite clearly that investment in capital in agriculture is closely related to current income, rather than to variations in interest rates, prospective income, or dates when improved machines were perfected."

Thus, the most eloquent statistic on the farm revolution is the ratio of the amount of money which the farmer receives in cash income to the amount he puts back into his farm in the form of equipment purchases.

Ratio Rises Steadily

That ratio has risen steadily since the war. Dominion Bureau of Statistics reports show this conclusively up to the end of 1948; there is evidence from other quarters that it continued into 1949; and the analysts believe that only a major drop in cash income will bring the ratio down again.

Whether a major drop can be foreseen in the disturbing prospect for Canadian food exports has a definite bearing on the matter; but the sales manager of one large implement manufacturer reports that, as yet, this hasn't been reflected in any greater cautiousness by the farmer when contemplating equipment purchases.

Furthermore, the faster pace of farm mechanization has come about without any disturbing increase in the farmer's debt position. Last year, 87.8% of all loans under the Farm Improvement Loans Act, 1945, were for the purchase of farm implements and farm trucks — purchases which demonstrably make the farmer a more efficient producer when times are tougher and which give him better odds when the weather's against him. The heavy load which the farmer carried when he entered the lean thirties is not likely to be repeated.

Before the war, investment in farm machinery showed wide variation from an estimated $93 millions in 1928 to a mere $9 millions in 1933. Sales remained relatively low throughout the depression years. Recovery in the early war period was cut short by material and labor shortages at the factory. In 1943, for example, sales of farm equipment were restricted by rationing to $29.9 millions wholesale, a figure which fell far short of effective demand. Labor shortages on the farms caused an upturn even before war's end (1944 — $55 millions), but even that figure didn't prevent the growth of a huge backlog.

Explained By Figures

Perhaps the best way of seeing what's happened since that time is to relate each year's cash income with the sale of farm implements for the ensuing year. The cash income figures exclude supplementary payments; the farm implement and machinery figures, given for the year following that in which cash income was received, are chiefly at wholesale prices.

	Cash Inc. Millions	Imp. Sales Millions	Ratio
1945	$1,694.7	$81.6	4.8
1946	1,742.8	122.3	7
1947	1,962.3	170.6	8.6
1948	2,449.9 (up 30% est.)		

That estimate of a 30% increase this year in investment for agricultural machinery is a rough approximation appearing in the Federal Agricultural Department's "The Economic Analyst." It appears to indicate that the important ratio of cash income to the following year's purchases is still climbing, and this is significant in view of the conditions of freer supply and more competitive sales which entered the farm implement industry during the past year. Industry spokesmen don't claim that the ratio will go higher, but they do think it will stay up as long as farm income does. The possibilities for further mechanization are by no means exhausted; the important factor is the farmer's ability to support it.

Taking the 11-year period between 1938 and 1948 inclusive when Canadian farmers bought $740 millions worth of farm machinery and equipment, the broad acreages of the Prairies accounted for 60% of the total.

This has been due to the fact that the Prairies were more suitable physically for rapid mechanization. More recently, however, smaller types of equipment have been designed to meet the needs of the smaller farms of Eastern Canada. These are now bringing more rapid mechanization in the East.

Manitoba Leads In Sales

Last year, Manitoba showed a greater increase in implement sales than other provinces. Sales of $23.3 millions were 50% higher than those of 1947.

Next in line in terms of percentage increase was Alberta, with sales of $36.7 millions representing a 41.6% increase over the preceding year.

The province with the greatest actual dollar volume of sales, Saskatchewan, came third in terms of percentage increase. Sales of $46.5 millions were 39.3% higher — roughly parallel to the over-all Canadian increase of 39.4%.

Dollar volume of sales in the other provinces, with percentage increases shown in brackets, are as follows:

Ontario, $38.4 millions (37.2%); Quebec, $14.9 millions (31.2%); British Columbia, $5.2 millions (37.8%); and maritime provinces, $5.4 millions (27.4%).

Across Canada, the largest part of the total volume of sales, or 37%, was made up of sales of tractors and engines which amounted to $63 millions last year. Harvesting machinery, comprising 21% of the total, was next, while sales of ploughs made up 7%.

Largest increases over 1947, ranging from 46% to 64%, were reported for ploughs, tilling, cultivating, and weeding machinery; haying machinery; harvesting machinery; and tractors and engines.

Sales of farm wagons, trucks, and sleighs were 5% lower than the volume reported for 1847, while dairy machinery and equipment sales were 14% lower, and poultry farm equipment 34% lower than in the previous year.

Sales of repair parts, also valued chiefly at wholesale prices, were $26.9 millions last year, compared with $23.2 millions in 1947 — an over-all increase of 16%. Greater percent increases were shown by Quebec (21.5%); Alberta (20.3%); Ontario (16.2%); and maritime provinces (16.2%). The increases in the other provinces were British Columbia (15%); Manitoba (13.1%); and Saskatchewan (12.9%).

Heated Quarters Due to Rise 50-60% Over 1941 Base

OTTAWA (Staff) — An unofficial view of the over-all rental picture in Canada is that rentals for heated accommodation may be expected to level out at about 150% to 160% of the 1941 base period.

If this is correct, the Federal Government is over the worst hump when it gets heated accommodation up to 140% of the base as provided for in the Dec. 15 changes.

The new provisions (which limit future increases to 130% of base period for unheated and 140% for heated accommodation) were hammered out after the Cabinet realized it had overlooked the cumulative effect of 20% and 25% boosts announced originally.

Mr. Abbott's first statement ignored the fact that there could be two interpretations of these percentage figures. Later, statisticians got to work to figure out what the actual boosts should be to give effect to Cabinet intent of keeping rentals at the 130 and 140 mark in relation to 1941.

Actual forms are not being distributed to local offices until Dec. 2. This is to prevent astute landlords from squeezing in an extra month's increase — as happened in a great many cases after the last major boost.

COMPANY REPORTS

CONSUMERS GLASS CO. net profit for the year ended Aug. 31, 19·9 was off 30.5%. During latter part of year, some new equipment was used in production of glass containers not previously made by the company.

INCOME ACCOUNT

Years Ended Aug. 31:	1949	1948
Net earnings	$867,620	$1,134,930
Less: Deprec.	117,936	100,079
Inc. tax res.	303,540	392,999
Net profit	446,144	641,852
Less: Divds.	519,301	639,140
Surplus for year	*73,157	2,712

*Deficit.

Earnings per Share and Dividend Record:		
Common	$1.40	$2.01
Paid	1.62½	2.00

CONDENSED BALANCE SHEET

As at Aug. 31:	1949	1948
Cash	$333,692	$35,966
Accts., etc., rec.	763,158	811,736
Market invest.†	251,500	851,500
Inventories	1,084,170	767,851
Total curr. assets ..	2,432,520	2,467,053
Misc. assets*	201,223	275,458
Fixed assets	3,537,697	3,415,557
Total assets	6,171,440	6,158,068
Total curr. liab.	531,964	587,643
Deprec. reserve	2,490,948	2,375,160
Furnace res.	90,000	65,000
Capital stock	1,044,326	1,044,326
Capital surplus	40,317	38,897
Earned surplus	1,973,885	2,047,042
†Mkt. value	250,500	851,500
*Incl. ref. EPT	151,412	229,677
Working capital	1,900,556	1,879,410

MIX GOLD MINES has called its annual meeting for Dec. 14 in Vancouver. Balance sheet as at Dec. 29, 1949, shows $88 in cash against liabilities of $1,390 representing loans from shareholders and directors. A total of 1,900,167 shares was outstanding with an authorized capital of two million shares.

'Ovaltine'

For Morning Freshness and Vigour

IT'S a glorious feeling to jump out of bed in the morning really wide awake . . . fresh, eager, full of energy . . . because you have had a good night's sleep.

Drink delicious 'Ovaltine' at bedtime to secure that relaxation that allows you to slip into deep, restful sleep—sleep that leaves you fresh and vigorous. Thousands in many countries of the world use 'Ovaltine' regularly as a bedtime beverage . . . to help them sleep and to help them awaken clear-eyed in the morning.

So, for sleep that lets you rise refreshed—try a cup of hot 'Ovaltine' at bedtime.

For Morning Freshness from Natural Sleep

Make 'Ovaltine' your Bedtime Beverage —and note the Difference!

7-9

BANK OF MONTREAL

Founded in 1817

CONDENSED GENERAL STATEMENT

October 31st, 1949

ASSETS

Cash on hand and due from banks and bankers		$ 268,151,423.47
Notes of and cheques on other banks		117,878,643.26
Government and Other Public Securities (not exceeding market value)		1,044,968,842.21
Other Bonds, Debentures and Stocks (not exceeding market value) . .		122,917,348.16
Call Loans		48,174,652.91
		$1,602,090,910.01
Commercial and Other Loans		487,352,653.41
Bank Premises		17,850,169.22
Customers' Liability under Acceptances and Letters of Credit (as per contra)		28,820,653.02
Other Assets		3,573,877.78
		$2,139,688,263.44

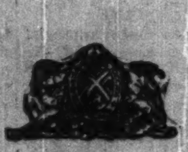
LIABILITIES

Notes of the Bank in Circulation		$ 3,621,916.00
Deposits		2,019,142,697.65
Acceptances and Letters of Credit Outstanding		28,820,653.02
Other Liabilities		2,947,186.16
Capital	$36,000,000.00	
Rest or Reserve Fund	48,000,000.00	
Undivided Profits	1,155,810.61	85,155,810.61
		$2,139,688,263.44

PROFIT AND LOSS ACCOUNT

Profits for the year ended October 31st, 1949, after making provision of $972,105.21 for Depreciation of Bank Premises, Furniture and Equipment and an appropriation to Contingency Reserve, out of which full provision for Bad and Doubtful Debts has been made	$ 9,221,569.97
Provision for Dominion Income Tax and Provincial Taxes	3,405,000.00
Leaving a Net Profit of	$ 5,816,569.97
Of this amount shareholders received or will receive	3,600,000.00
Amount carried forward	$ 2,216,569.97
Balance of Profit and Loss Account October 30th, 1948	2,939,240.64
	$ 5,155,810.61
Transferred to Rest or Reserve Fund	4,000,000.00
Balance of Profit and Loss Account October 31st, 1949	$ 1,155,810.61

B. C. GARDNER, *President*   GORDON R. BALL, *General Manager*



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The Bank of Montreal spans Canada with 541 branches; it has offices of its own in London, New York, Chicago and San Francisco.

"MY BANK" TO A MILLION CANADIANS
B of M

Canada's First Bank . . . WORKING WITH CANADIANS IN EVERY WALK OF LIFE SINCE 1817

SELL THE RICH MUNICIPAL MARKET through this ACCEPTED publication . . .

Canada's only national municipal publication, CIVIC ADMINISTRATION has established itself this year as a powerful new selling force in the expanding municipal market.

From over 10,300 key municipal officials — both elected and administrative — it has won a warm acceptance because its authoritative articles deal with down-to-earth, every-day problems affecting Canada's 3,000 municipalities.

Typical Readers Say:

Toronto: "You are to be congratulated on giving municipal officials a publication like CIVIC ADMINISTRATION. The need for it has been felt in Canada for a long time." Mayor H. E. McCallum.

Prince Albert: "The City Council here feel you have turned out the best publication to date for municipal authorities." City Clerk D. B. McIntyre.

Victoria: "I greatly enjoy every issue of CIVIC ADMINISTRATION. There has long been a need for a magazine of this sort." City Purchasing Agent G. F. Sharpe.

More and more of the major firms selling in volume to the $600,000,000 municipal market are finding an important place for CIVIC ADMINISTRATION in their 1950 advertising and sales programs.

Through CIVIC ADMINISTRATION you too can reach 10,380 municipal officials obtaining penetrating coverage of those who decide—those why buy for Canadian municipalities.

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Dominion Rubber Co. Ltd.
Dominion Tar & Chemical Co. Ltd.
Dominion Wheel & Foundries Ltd.
Dow Chemical of Canada Ltd.
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Excelsior Refineries Ltd.
Four-Wheel Drive Auto Co. Ltd.
Frost Steel & Wire Co. Ltd.
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Northern Electric Co. Ltd.
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Standard Clay Products Ltd.
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Vivian Engine Works Ltd.
Watson, Jack & Co.

CIVIC ADMINISTRATION
Canada's National Municipal Publication

481 University Ave., Toronto 2, Ont.
A Maclean-Hunter Publication
Dominion Square Bldg., Montreal 2, Que.

What's New

New Products, Applications and Ideas Gathered from World-wide Sources or Made in Canada for the First Time

For Winter Driving

New device to help motorist get car out of snow, mud, ice or sand, tough grid made out of a single piece of high grade steel, "Sno-Tracs" provide non-slip tread that does not cut or otherwise damage tires, New York company states. Measure 16 x 6 inches; can be conveniently stored in car, easily put in use, maker claims. Larger size available for trucks.

• • •

Ample Bib

Feeding bib built along lines of smock with wide pocket to catch spilled food is available now in grease and moisture resistant Vinylite plastic film. Cut to open flat for easy cleaning, bib fastens at neck and arms with metal grippers instead of strings. Is decorated with silk screened duck and bound in pastel pink or blue. All seams electronically sealed.

• • •

Zonolite Panel

New use of cement products for general construction developed by Kitchener company is an expanded slag or zonolite panel. Is being used for house construction in panels 16 inches wide, eight feet in length, with corner posts eight feet by eight inches by eight inches. Panels are set in place in stran-steel channels, top and bottom. Slabs are finished in white smooth surface that can be readily painted. Can be sawed and nailed. Claim great saving in erection time, and resultant wall fireproof, moistureproof and soundproof.

• • •

Motorized Sled

Motor toboggan developed by Kitchener company features automatic clutch and transmission entirely eliminating clutch pedal and gear shifting. Automatic type steering wheel and hand throttle said to be only controls necessary. Positive steering enables toboggan to follow narrow twisted trail it is said. Governor-equipped heavy duty engine can be converted to a stationary engine providing steady power flow during summer, maker states. Will carry two persons and is equipped with tow-bar for hauling a sleigh. Fuel consumption about 40 miles to the gallon and maximum speed approximately 25 mph.

• • •

Roller Type Shades

Plastic roller type woven shades are being manufactured in Canada. Made of special rigid vinyl plastic woven together with special twisted cord, they are raised or lowered and locked in position by use of lignum Vitae Pulleys and a special cord lock. Material is unaffected by moisture and does not support flame, is resistant to cracking, staining, shrinking or fading, Peterborough maker states. Presently available in "confetti yellow," in sizes from 2 ft. to 12 ft. in width by any desired drop.

• • •

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respect it is new, and indicate its significance to its field.

Enquiries concerning items in this column should mention the heading to the item, and the date of issue in order to ensure prompt reply.

Odorless Paint

Odorless paint developed by a New York firm, achieved through specially formulated and exclusively processed materials, and not through deodorants or perfumes, it is stated. The solvent developed in odorless form by the petroleum industry, and binder rendered odorless by secret process. Price slightly higher due to cost operation in refining. Most of the odorless paints now available are in flat variety but a full line of all colors in gloss and flat expected by early 1950.

• • •

Washable Slippers

Hand washable nylon bedroom slippers in brightly colored satin are being introduced in the U. S. Nylon used in fabric is treated with waterproof adhesive which will not loosen after many washings, it is claimed.

• • •

Manually-Operated Dishwasher

Low-cost portable dishwasher, designed by New York company, saves installation costs because it does not require permanent plumbing or electrical connections. To use, merely connect the rubber inlet hose to the hot water faucet and plug in electric cord. Drain hose is attached to inlet hose and automatically centres over the sink when inlet is attached. When not in use dishwasher is rolled away. New appliance manually controlled; entire washing cycle said to use less than five gallons of hot water.

• • •

Folding Benches

Patented folding auditorium benches, eight feet long, seating six adults, are being offered in Canada by British Columbia firm. Storing space per 102 persons said to be 8 ft. x 6½ ft. x 3 ft. high. Approved by Fire Marshal.

• • •

Stenographic Service

Electronic telephone dictation service is offered by New York company; users dictate their letters by phone to operators who transcribe them on proper letterheads, deliver them for signature or sign and mail them if so instructed.

• • •

Records Bumps

"Impact-O-Graph," a small-size, self-contained recording device tells the kind, intensity and time of bumps or jolts given to goods in transit. Unit is packed into crate or carton with goods to be shipped. Recorder prints conditions of handling in transit on a 60-ft. roll of specially treated paper. When goods reach destination unit is sent back to shipping point for inspection and damage to goods can be traced to the shipper, carrier, or receiver, Cleveland maker states.

• • •

Package For Light Bulbs

New shock-absorbent package for light bulbs developed by British inventor is being demonstrated in U. S. Movie shows 64 bulbs in his packages being dropped 2,500 feet from an airplane with slight damage to one only.

• • •

Coal Gas Products

Latest method of getting coal products without first digging the coal involving passing a high voltage through the seam, said to have been successfully tested at Hume, Mo. Holes drilled in the coal seam and iron pipes inserted to serve as electrodes. Fairly high voltage current sent through the pipes. Resistance of the coal acted as a heating element, and coal gave off oil-saturated gas. As soon as temperature of coal bed raised to point where combustion maintained without external heating, current was shut off and pipes connected to the electrodes. Air or oxygen was pumped in through the pipes to maintain combustion. In effect, air is pumped in at one end and coal gas products come out the other. Gases produced can be used as heating fuel or as raw material from which synthetic gasoline can be made, it is said.

Seals Heavy Cartons

Heavy-duty sealing tape, "Glas-kraft" consists of two sheets of kraft paper laminated with asphalt, in which glass fibres are imbedded for added strength. Massachusetts maker recommends it for sealing heavy cartons; claims it will reduce breakage and carton rupture. Fibres not affected by dampness, will not rot or weaken in storage, it is claimed. Also claimed to be water-resistant and can be furnished with waterproof gumming.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SOUTHERN CANADA POWER Co. reports net profit of $1,007,382 for year ended Sept. 30, 1949, up 16.2% from previous year's $867,007. Number of customers increased by 4,555 to 60,143 and, in addition, the company helps supply electric service to 10,300 customers on municipal systems and co-operatives. Sales of electrical appliances reached a new high at $1,008,754, and gross revenue exceeded $5,000,000. Total output was 385,992,700 kwh., up 8.94% from previous year.

Additional money for the construction program was obtained by sale, on Dec. 1, 1948, of $2,500,000 3½% first mortgage bonds. Capital expenditures for new construction and equipment totaled $2,134,508 during the year and the company still has investments on hand worth $2,060,632 for financing further expansion.

Work is proceeding on construction of a 110,000 volt transmission line to bring power through the St. Césaire substation from the St. Lawrence and St. Maurice Rivers to central and easterly areas of the Eastern Townships. A site for a control terminal and distribution station has been purchased at Magog and work there is progressing. The new 48,000 volt transmission line from St. Césaire to Granby has been completed and construction is well advanced on a 48,000 volt line from Iberville high tension switching centre to Henryville, and on a similar line to connect Cowansville and Bedford. At St. Césaire substation, a 17,500 K.V.A. transformer and regulator have been installed and capacity of the substation in Granby has been more than doubled to 15,000 K.V.A. During the year 289 miles of rural lines were completed to serve 1,451 additional customers.

CONS. INCOME ACCOUNT

Years Ended Sept. 30:	1949	1948
Total net earnings	$2,456,034	$2,098,257
Less: Depreciation	517,355	460,475
Bond interest	287,797	214,500
Inc. tax res.	643,500	556,275
Net profit	1,007,382	867,007
Less: Pref. divds.	425,334	425,334
Common divds.	480,000	480,000
Surplus for year	102,048	†38,327
†Deficit.		
Times Interest Charges Earned:		
Before deprec.	8.53	9.78
After deprec.	6.74	7.64
Earnings per Share and Dividend Record:		
Preferred	$14.21	$12.23
Paid	6.00	6.00
Common	1.46	1.10
Paid	1.20	1.20

CONDENSED CONS. BALANCE SHEET

As at Sept. 30:	1949	1948
Cash	$196,597	$158,402
Accts. rec.	538,818	480,294
Inv. assoc. cos.	96,003	90,003
Other invests.‡	1,756,959	807,045
Inventories	644,222	767,868
Total curr. assets	3,232,380	2,303,612
Misc. assets▲	355,907	401,257
Fixed assets	28,770,732	26,636,224
Total assets	32,359,239	29,341,093
Accts. & tax pay.	790,962	998,393
Other curr. liabs.	340,318	329,047
Total curr. liab.	1,131,280	1,327,440
Funded debt	8,606,000	6,106,000
Depreciation res.	6,280,487	5,724,353
Other reserves	352,093	316,366
Capital stock	15,088,900	15,088,900
Minority int.	455	455
Surplus	920,024	777,579
‡Market value	2,060,632	1,056,418
▲Incl. ref. EPT	126,133	215,870
Working capital	2,101,319	976,172

The Financial Post

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What Can New Supreme Court Setup Mean to You?

Here's the present Supreme Court bench—(left to right): Justices James W. Estay; Ivan C. Rand; Patrick Kerwin; Chief Justice Thibaudeau Rinfret; Justices Robert Taschereau; Roy Kellock; Charles H. Locke.

Moving 'Foot of Throne' to Canada Brings Big Change in Course of Civil Appeals

By KENNETH R. WILSON

Canada's Supreme Court will shortly become the court of highest and final appeal for all citizens.

What will you and I, as Canadian citizens, obtain in value received for the $300,000 to be spent annually hereafter to maintain our Supreme Court?

What changes will take place? Will our Supreme Court now become more remote or more accessible to the average citizen? Will the change mean a turning point in federal-provincial relations? Will the whole body of constitutional law as it has come down through the years now be subject to alteration and review?

The new Supreme Court setup will shortly be put into effect by government proclamation and two new judges—one from Quebec—will be added to the present roster of seven. Coincident with proclamation of the new regime Chief Justice, The Hon. Thibadeau Rinfret, is expected to retire. He will be replaced by one of the English-speaking members of the present court.

At the same time the judges will all get pay boosts. The Chief Justice will get another $5,000 a year putting this post up to $25,000. Each of the other judges will get another $4,000, stepping them up from $16,000 to $20,000.

Much has been said and written about the constitutional aspects of our new Supreme Court setup. When the statutory amendments went through Parliament recently the entire debate centred on the abolition of appeals to the Judicial Committee of the Privy Council in London. It is abolition of these appeals that will make future Supreme Court judgments final all cases.

What has been overlooked almost entirely is that alongside this controversial and much-publicized question there has also been effected an important change in the nature and position of the Supreme Court in respect to purely domestic cases.

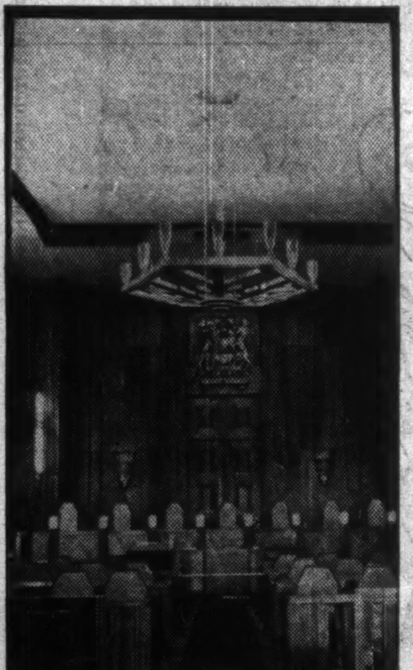
Overnight, once the new amendments are proclaimed, objections to inaccessibility of the Supreme Court in so far as the average citizen is concerned, will be largely if not wholly removed.

In criminal cases a major step was taken last year when the jurisdiction of the Supreme Court was enlarged.

Now, the Court's powers and accessibility have been further widened especially in respect of civil cases. It will no longer be circumscribed by whether or not leave has been granted by a provincial court.

When the new amendments are proclaimed the Supreme Court will be able to grant leave from any judgment of the highest provincial court to which the matter can go (in cases of offenses other than indictable offenses where there is a question of law or jurisdiction) whether or not leave has been refused by a provincial court.

The Supreme Court of Canada in future will thus be in truth "the foot of the throne." This is a very different situation from its statutory strait jacket of the past.



The mahogany-paneled courtroom.

Will It Be Expensive?

Can the "man in the street" afford to take his case within the paneled mahogany walls of the $3-million marble habitation of the court on Wellington Street?

The answer of Clerk of Process George Audette is "definitely yes."

Mr. Audette points out that since 1945, instead of requiring 30 printed sets of each appellant's ease, the court is now content with "any system that is legible." That means, says Mr. Audette, that litigants can look after this part of their appeal for as little as $3 a page. Cases run anywhere from 50 to 1,000 pages, but the average is probably about 100 — a $300 cost for the clerical work of Supreme Court submissions.

One reason for requiring 30 copies has been that the case might later go to the Privy Council. With this final resort no longer ahead, it is probable the Supreme Court will require in future only 20 copies.

This won't affect the cost of submissions very much unless there is a great deal of paper involved.

The only other cost, apart from lawyer's fees, is a statutory $500 deposit.

In some cases litigants have pleaded their own case before the Court. For this is not a court of original jurisdiction. No witnesses appear as in ordinary court proceedings; mostly it is a learned discussion of delicate points of law with the judges well-briefed beforehand in the matters before them.

Humble, Stormy Beginnings

Now that the Court is at last achieving full stature as the "exclusive, ultimate appellate civil and criminal jurisdiction within and for Canada" it is interesting to look back at the humble and stormy beginning of this body; to recall it got so bad a start when it was appointed October 8, 1875, that within a few years a bill was introduced to abolish it as being "entirely unnecessary and useless."

In the early days the court was plagued by hostility from Quebec, by friction and incompetence within its membership and by overhanging challenge and hostility from the British Colonial Office.

Professor Frank MacKinnon, documenting the struggle of these early days in Canadian Historical Review in 1946, said:

"Some critics thought the new court an unnecessary addition to an already adequate judicial system. Many were worried one way or the other by the abolition of appeals. But the chief trouble was the hostility of Quebec to the proposed court and to the possibility that it might infringe on provincial rights and legislative powers."

Because of its limited functions (litigants had the option of going direct to the Privy Council and by-passing the Court altogether) one member of Parliament was prompted to say in the original debate that he "could not imagine a more dismal spectacle than would be afforded by six melancholy men living in this city endeavoring to catch an appeal case, which, but for this act would have gone to England. They would become rusty and relapse, perhaps, into a state of barbarism."

Even in those days, a move was afoot to have the court become at once Canada's court of final appeal.

This had not been in John A. Macdonald's mind when he introduced the original Supreme Court Bill into Parliament 1869. But this and subsequent bills were not acted upon.

It was Hon. Télesphore Fournier, Minister of Justice in the Mackenzie government, who in 1875 introduced the bill which finally became law. Fournier declared he would "very well like to see a clause introduced declaring that right of appeal to the Privy Council existed no longer."

An amendment to this effect was introduced, to be bitterly opposed by Macdonald as "the first step toward severance of the Dominion from the mother country."

The amendment actually carried the Commons and was only defeated on third reading in the Senate on the casting vote of the Speaker.

Dissension Within Court

In addition to getting off to a bad start—it was not until August, 1876, seven months after its initial sitting that Lord Carnarvon, Colonial Secretary, advised the Governor-General that the act would not be disallowed—there were dissension and controversy within the court itself in those early days.

In a letter to the Prime Minister, one of the judges, Sir S. H. Strong, described the deliverances of one of his colleagues as "long, windy incoherent masses of verbiage, interspersed with ungrammatical expressions, slang and the veriest legal platitudes inappropriately applied."

He added that "nothing but Henry's removal from the bench can save the unfortunate court, and "I am not sure that this change, if effected will make the court efficient, for the Chief seems to think of anything rather than his judicial work and is never ready with his judgments."

Two points of importance today emerge from this early discussion

1. The Supreme Court, to quote MacKinnon, "was therefore 'supreme' only in cases which were taken to it, and even then its 'supremacy' was subject to the royal prerogative."

2. The court's usefulness, especially in cases involving provincial disputes, was in proportion to the trust and respect in which it was held by Canadians themselves.

These limitations have in greater or less degree extended right through to the present.

Because of statutory limitations only a selected number of cases have come before it each year, thus exaggerating in the minds of both the legal profession and the man in the street, the court's "aloofness."

As well, the procession of constitutional judgments which almost inevitably have continued through the Supreme Court and on to the higher authority of the Judicial Committee, has substantially qualified its usefulness and authority in this field.

What Now?

What will happen now?

Present members of the court insist that they can discern no basic philosophy or "bias" emerging in the recent judgments. They profess no "pattern" toward or away from provincial rights; believe there will be little change in the general pattern of federal-provincial relationships because of abolition of Privy Council appeals.

One difference in future will be the availability of individual and minority judgments. Since the Judicial Committee of the Privy Council is purely an advisory body to His Majesty, these judgments in the past have reflected none of the difference of view that may have arisen among the British Lords. When Canadians, in the past, have taken an appeal to London, they have received "from the foot of the throne" only one single opinion, the theory being that the King can express only one point of view. Differences of opinion among his judicial advisors are never publicly revealed.

Canada has played a not unimportant part in these decisions during this century. This is in part because of the distinguished role of Sir Lyman Duff who became in his own right a great constitutional authority. Sir Lyman sat in London as a member of the Judicial Committee of the Privy Council on many occasions and thus participated personally in framing the final "advice" tendered to the Throne in matters affecting Canadian constitutional disputes.

It is pointed out that with the Supreme Court of Canada as the final court of appeal, there will be an important difference between our court and the Supreme Court of the United States.

A distinguished Canadian judge, presently a member of the Supreme Court has described this difference for The Post, as follows:

The difference is between certain functions of the two courts.

"In this country, the supreme legislative power is exercised by the King acting with Parliament or legislature. A matter of legislation may lie, as we say, within the jurisdiction of the Dominion or of the Province or within both, in the latter case to be dealt with by co-operative action: and the judicial task is to declare within which authority it does lie.

"But in the United States, the Supreme Court, besides this duty of determining power as between Congress and State legislature, has also the task of deciding the validity of legislation in relation to the Constitution: whether, in other words, either legislative organ has power to enact as it has purported to do. It thus becomes the interpreter of those broad provisions of the Constitution which secure a residue of rights to the individual citizen which no legislation can infringe.

"For example, there are the provisions protecting freedom of speech and of religion. In these determinations the general language of the Constitution must at times be given a content that was beyond the conception of those who drafted it; and in doing so, the Court, drawing upon the social and political realities of the day, does, in a sense, become a judicial legislature.

"What in such a case it declares is that the particular restriction or regulation challenged is or is not beyond the scope of legislation; whereas in this country it is a question of deciding whether the legislative authority enacting it is that to which the matter has been allocated."

What of Past Decisions?

One controversial question raised during the recent debate in the House was the question of whether the Supreme Court would in future be bound by its own past decisions as well as by those of the Privy Council.

Lawyers call this the rule of "stare decisis." At the Canadian Bar Association last summer, a resolution was approved urging that "the rule of stare decisis ought to continue to be applied with respect to past decisions of the court as well as with respect to past decisions of the Judicial Committee."

This seems to involve a technical argument which some lawyers dismiss summarily. Prime Minister St. Laurent, when this was raised in the House, said he quite agreed with the Bar Association resolution. He added:

"I think it is part of the system of administration of justice in British countries that decisions are regarded as binding on themselves and upon all courts of lower jurisdiction until they are modified or set aside by legislative action."

After discussing this with members both of the legal profession and Supreme Court judges themselves, The Post finds it hard to know what the argument is really about.

At least there seems no disagreement that past judgments of the Supreme Court and of the Judicial Committee are in fact binding unless or until changed by legislative action. Where a past judgment of the Supreme Court was upset by the Judicial Committee the latter prevails and will continue to prevail because of having been made by the higher court.

This is almost a distinction without great difference in view of the close agreement of the two bodies in recent times.

In the past decade 55 cases have gone to London from the Supreme Court. In 22 of these, leave to appeal has been refused, thus making the Supreme Court the final arbiter. Out of the other 33 cases, 27 were dismissed and one withdrawn. Only five Privy Council judgments reversed the Supreme Court and in none of the five was a constitutional point involved.

Chief results therefore, of the new regime will be wider accessibility of the court to Canadian litigants and the assurance that in future all legal decisions of whatever nature will be made by Canadians themselves.

Supreme Court's law library, with 120,000 volumes crammed into its shelves is considered one of the best in North America. Librarian Gobeil fills orders for books for Justices.

Who's Who On Present Supreme Court Bench

RT. HON. THIBAUDEAU RINFRET, 70, appointed Chief Justice, Dec., 1945. Born in Montreal, the eldest son of the late Francois Olivier Rinfret. He says he cannot recall ever wanting to be anything but a lawyer. Graduate of McGill, he was called to Quebec bar in 1901, practiced in St. Jerome, Que. and Montreal. Created K.C., 1912. Twice defeated trying to get into Parliament on the Liberal ticket (Terrebonne, 1908; Laval, 1919). Appointed to Superior Court of Quebec, 1922; to Supreme Court of Canada as puisne judge, 1924. A grey-haired little man with reddish chubby cheeks, cheerful, friendly, with an innate sense of modesty. Fond of walking, travel, reading (mostly biographies); says his golf is "very bad." Married (1903), three sons, one daughter.

HON. IVAN C. RAND, 65, appointed June, 1943. Born in Moncton, N.B., he entered Mount Allison, Sackville, with the idea of becoming an engineer. His teachers, impressed with his debating, persuaded him to study law instead. Graduated from Harvard, 1912. Called to the New Brunswick bar in 1912, went to Alberta in 1913, where he practiced till 1920 when he returned to New Brunswick. Was New Brunswick Attorney-General 1924-25. Became CNR regional counsel at Moncton in 1926; later was appointed CNR commission counsel. Tall, lean, scholarly, he's a student of literature, fond of music. Married (1913), has two sons.

HON. JAMES WILFRED ESTEY, 60, appointed, Oct., 1944. Born near Fredericton, N.B., son of a grocer. Graduate of Harvard (1915); lectured in economics and law for 10 years at University of Saskatchewan. Admitted to Saskatchewan bar, 1917. K.C., 1928. Ran for Legislature 1929, defeated; successful in 1934 and again in 1938 when he was appointed Minister of Education. Following year appointed Attorney-General. Married (1916), three sons.

HON. CHARLES HOLLAND LOCKE, 62, appointed June, 1947. Born in Morden, Man. where his father was for many years County Court judge, he was called to Manitoba bar in 1910. Saw first war service with 61st Canadian Field Artillery. Appointed K.C. 1923. Moved to British Columbia, 1928 and was subsequently retained by B. C. Government for many Supreme Court cases. Of medium height, stocky build, chalks up better-than-average golf score. Used to hunt a lot, is regarded as expert on shotguns. Married; one son, two daughters.

HON. ROBERT TASCHEREAU, 53, appointed Feb. 1940. Born in Quebec City, the son of Hon. L. A. Taschereau, former Quebec premier. Graduate of Laval, he started practicing law in 1920. Professor of criminal law Laval since 1929. K.C., 1930. Three times elected to Quebec Legislature (1930, 1931, 1935). Hobbies are fishing and hunting. With Justice Kellock presided over Royal Commission on Espionage following the Gouzenko revelations in 1946. Married (1926), two daughters.

HON. PATRICK KERWIN, 60, appointed 1935. Born in Sarnia, Ont. he's a graduate of Osgoode Hall; was called to the Ontario Bar, 1911. Practiced in Guelph, Ont., several years solicitor for City of Guelph, Wellington County. K.C., 1928. Appointed to the Supreme Court of Ontario, 1932. Hobby: golf. Married (1914), three sons, two daughters.

HON. ROY KELLOCK, 56, appointed Oct. 1944. Born in Perth, Ont. he's a graduate of McMaster and Osgoode Hall, was called to the Ontario bar, Sept., 1920. Created a K.C. in 1934, he was appointed to the Ontario Court of Appeal in 1942. Married (1932), one son, one daughter.

—Photos by Malak.

The Supreme Court building on Wellington St., Ottawa

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Provincial Roundup

Significant events in public affairs and business in the Canadian provinces

British Columbia

Hospital Plan Costly—Despite a $3 and $9 annual rate boost in B. C.'s hospital insurance scheme announced last August, increasing costs are threatening government financing of the plan. Addressing a convention of British Columbia Hospital Association, Health Minister George Pearson admitted the Government "is on the spot." He urged hospital managers co-operate to keep expenses down and thus avoid public resentment aroused over premium increases. Present rates are $21 and $33 a year for single persons and families of one or two more persons respectively. Total cost of hospitalization in the province has risen from $9,150,000 in 1945 to an estimated $17,000,000 this year.

Fruit Men Seek Hail Insurance: For many years a topic at fruit-growers' conventions, first concrete steps to secure blanket hail insurance are now being taken by the B. C. Fruit Growers Association. Committee will approach the superintendent of insurance in Victoria to obtain information preliminary to application to the next session of the Provincial Legislature for a bill empowering BCFGA to set up their own scheme. Legal advice will be secured and submissions made to Victoria in hope proposed bill can be prepared before year end.

30-Year Dream Realized: Golden key in the hand of veteran psychiatrist Dr. A. L. Crease, B. C. director of mental hygiene and psychiatry, opened the door of the Crease Clinic of Psychological Medicine, a 30-year dream realized. Claimed the only institution of its kind in North America, $1,750,000 clinic will treat the first stages of mental unbalance and save thousands from mental hospitals. It will accommodate 150 men and 175 women at a time, providing same facilities for treating and curing mental illnesses as other hospitals provide for treating physical ailments. Under special act of legislation patients can get up to four months treatment in the clinic without being subject to committal to a mental hospital.

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Alberta

Want Honey Floor Price: Alberta honey producers, fighting to keep in business, are urging Federal Government establish a floor price of 15c a lb. Beekeepers claim cost of shipping to eastern export centres, plus freight charges on equipment from the East make it impossible for western producers to meet eastern prices. Province's honey crop dropped from 9,000,000 lb. in 1948 to 6,125,000 lb. this season, with blame laid on drought and decreased prices. Assistance of provincial government in marketing and a government established honey grading system is also sought.

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Saskatchewan

Plan To Train Printers: Members of the Canadian Weekly Newspapers Association, Saskatchewan editors are urging training of high school students in the printing trades as part of their courses. Pointing out Saskatchewan's apprenticeship scheme was not suitable for supplying printers to weeklies and the cost of building technical schools prohibitive, editors suggested a few hours training each week in country shops for boys with grade 10 education. At end of two years, trainee would be fitted to take his place in a printing shop as an apprentice and be able to command good wages. Editors stressed plan would not "exploit the boys," would provide a constructive period during school days; be conducted without charge; provide a pool of trained printers for both cities and small towns.

Accent on Mink: Puzzler which crops up annually for Saskatchewan's 15,000 trappers is "what will the ladies wear this year?" Word this season is that the ladies are demanding mink and muskrat and trappers who had planned on taking fox fur must change their minds accordingly. Scheduled Dec. 19 is sale of Saskatchewan's fur-marketing service, at which ranch and wild mink will hold the spotlight with big American buyers expected to snap up offerings. Mink will also feature the January sale but from there on it will be muskrat and beaver. Take of beaver fur is expected to show a 50% gain over last season with credit going to sound conservation methods. Thousands of the animals were transplanted from producing areas to lakes and rivers where none had existed for years.

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Manitoba

Hutterite Way of Life: High mental health of Hutterites, extremist branch of the Mennonites, strict Protestant religious group, is puzzling U. S. sociologists on research in Manitoba. Survey is being financed by U. S. Public Health Service to establish findings that can be incorporated into a preventive approach to mental health. "Social security" is suggested as a reason for the "healthfulness." Alcoholism is unknown, although Hutterites drink wine and beer in moderation. They do not smoke; crime and delinquency are rare. They have no radios, read only newspapers and believe photographs of each other develop vanity, so none are taken. They do, however, employ every modern device affecting work and production. Children are educated by non-Hutterite teachers, follow provincial curriculum, are absorbed into a well organized system of apprenticeship.

Develop Insect-Proof Bags: Manitoba housewives, troubled by moths, beetles and other bugs in the pantry are now blessing the province's Stored Products Insects Laboratory, Science Service, Dominion Department of Agriculture. Laboratory has developed a method of proofing cereal bags and sacks with harmless chemicals (long sought by cereal processors) to protect enclosed foodstuffs from heavy insect infestation for as long as 14 months. Chemicals used are harmless to humans and have no detrimental effect on food quality. Lab is also perfecting methods for detecting weevil and other insect fragments in finished flour.

Ontario

More Highway Squawks: Newest team in the Trans-Canada Highway "They Shall Not By-Pass Us" League, Ottawa Valley towns, Arnprior, Renfrew, Pembroke and other centres are mobilizing mayors, reeves and boards of trade to carry a protest fight to Queen's Park and Parliament Hill. Protest was sparked by disclosure of a plan to swing Trans-Canada south from Ottawa along Highway 16 to meet Highway 2 and thus put Toronto on the route. Highway would then run north along No. 11 to meet itself again at Barrie. Diversion, say Valley towns, would be disastrous to their tourist trade, would mean a gap between Montreal and North Bay, add hundreds of miles to the route.

International Airport Soon: Establishment of a Detroit-Windsor International Airport calling for a 2,000-acre terminal in Sandwich West, three miles from the Canadian approach to Ambassador Bridge spanning the river between Windsor and Detroit is rapidly approaching reality. Proposed two years ago by Trade Minister Howe, idea caught on with Detroit and Washington officials who got busy on a treaty proposal. Now ready, it will be presented formally to Canadian Department of External Affairs for consideration and top officials at Ottawa have promised direct action. Only seven miles from Detroit city hall, airport would be a major terminal for seven scheduled airlines now operating into Detroit's Willow Run field, 32 miles distant, and for Trans-Canada Airlines using Windsor Airport.

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Quebec

Job Placement System: Smoothest way to "break the ice" and dispensing with a lot of talk when job hunting, is to have applicant present data sheet listing education, training, experience, etc. Taking note of this business-like trend is McGill University, planning new methods in student placement. Being developed is a complete system of student appraisal, including not only academic record, but also observations on a student's character and traits of personality. Records of part-time and summer jobs providing practical experience are also being kept with an open invitation extended to employers to visit the university, check records, and interview prospective employees.

$8,000 Job Goes Begging: Montreal Planning Department has been looking some time for a man who will help rid the city of smoke, for $8,000 a year. Qualifications: Applicant must be a civil engineer, diplomatic, bilingual, able to address meetings of businessmen's clubs, manufacturers and industrial associations of all sorts, two or three times a week. He must be able to talk "plain turkey" to big men in business management, make them feel ashamed of the way their plants belch smoke and soot. His title: "Superintendent of the Anti-Smoke Bureau."

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New Brunswick

Busy Time For Saint John: Some 54 ships, operated by eight steamship companies, are scheduled to use the Port of Saint John during the winter period December to April, starting with arrival of SS. Pioneer Gulf from Australia with import cargo Dec. 1. Among the firms is the Elder Dempster Lines (Canada) Ltd. with ships plying between South and West Africa and Canada. These ships have been sailing in and out of the Port of Saint John for half a century. Another firm, the Robin Line, will have six arrivals bringing African products such as coffee, sisal and canned fruits. Oranje Line, Irish Shipping Co., County Line, Alcoa Steamship Co., Pickford & Black Ltd. and American Pioneer Line also have announced plans for a busy season.

Timber Tract For University: A 3,520-acre Crown land timber tract has been leased to University of New Brunswick for forest experiment purposes. Area is vacant Crown land which was created a timber reserve a few years ago and lies adjacent to Acadia Forest Experiment Station some 10 miles from Fredericton. It will be subject to forest protection tax at the same rate as other Crown leases and to provisions of timber regulations including stumpage payments. Acquisition will double area of forest land now used by the university for training.

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Prince Edward Is.

Air Milk Run Continues: Despite announcement that all Maritime-bought supplies for U. S. air bases in Newfoundland will now be purchased at Halifax, there is no indication that famous milk run by plane from Summerside to Harmon Field is to be abandoned. Service was started two years ago, with bi-weekly flights of fresh milk, and occasional trips for other perishable produce.

Harvest 15,000 Barrels Oysters: This year promises to be the best on record for shippers of Island oysters. About 15,000 barrels have been harvested for shipment to Central Canada and as far west as Vancouver. Most of them go as fancy quality from the Malpeque and Cascumpec beds. Not since the early twenties, when oysters were not graded, has business been so good.

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Nova Scotia

New Ferry For Nova Scotia?: Sparked by decision of an American ferry company to withdraw from Maritime service, Federal Government is said to be considering construction of a $3 millions steamer for ferry use on Canada's east coast. Cost would be borne equally between Federal and Nova Scotia Governments with latter already agreeing to put up $1.5 millions. Proposed ferry would carry 100 cars, run from Yarmouth to probably Rockland, Me., or Boston. Canadian National Railways will be responsible for the steamer if and when constructed.

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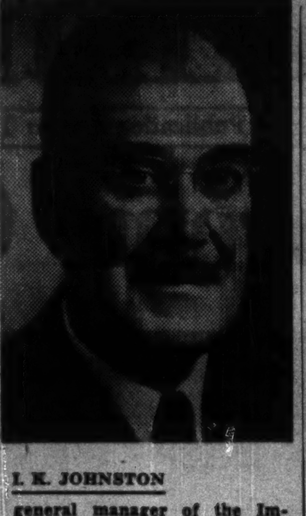
Newfoundland

Tough On Truants: Stipulation in the Family Allowance Act requiring regular school attendance before families can collect the monthly allowance has brought an upsurge in Newfoundland school attendance never experienced under the Compulsory School Attendance Act. Last month there were 500 "casualties" attributable to failure to attend school and while this is regarded as pretty rugged by parents in straightened circumstances, who claim they can not afford to outfit children properly for school, it nonetheless spurs them to greater efforts to do so. In the last six months payments reached $800,000.

Profiteers To Get The Axe: Four-man Royal Commission to probe Newfoundland cost-of-living has been announced by Premier Smallwood. Named are Frank Grisdale, chairman; Lewis Ayre, president, Newfoundland Board of Trade; Cyril Janes, co-operative field worker, and H. Chown of Ottawa. Several chartered accountants and a lawyer will be attached to commission which has the power to delve into accounts and books of all firms in Newfoundland. Appointment follows long government investigation into living costs whose figures showed some island retail stores had been making as high as 175% profit on certain foodstuffs. Prices were also found to be 10% to 30% higher than in the other three maritime provinces.



I. K. JOHNSTON

general manager of the Imperial Bank of Canada, has been elected a vice-president.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SHERWIN-WILLIAMS CO. net profit for year ended Aug. 31, 1949 was $987,477, off 26.8% from previous year's $1,348,682. Sales volume attained its second highest peak, having been exceeded only by the previous year. Half of the earnings drop was accounted for by the reduction in sales volume, the other half by increased selling and operating costs, the annual report states. Encouraging sales gains are reported for the first months of the current fiscal year as compared with last year.

Properties and plants have been maintained in good condition, with the expansion program practically completed, it is reported.

CONS. INCOME ACCOUNT

Years Ended Aug. 31:	1949	1948
Net income	$2,104,706	$2,841,525
Less: Deprec.	469,121	428,126
Bank int.	250,889	252,742
Inc. tax res.	397,219	811,975
Net profit	987,477	1,348,682
Less. Pref. divds.	242,200	242,200
Common divds.	224,720	224,720
Surplus for year	520,557	881,762
Earnings per Share and Dividend Record:		
Preferred	$28.54	$38.98
Paid	7.00	7.00
Ordinary	3.32	4.92
Paid	0.80+0.20	0.80+0.20

CONDENSED CONS. BALANCE SHEET

As at Aug. 31:	1949	1948
Cash	$244,270	$309,215
Accts. rec.	5,273,289	5,177,046
Inventories	7,179,041	7,799,379
Total curr. assets	[illegible]	13,285,640
Prep. exp.§	227,926	316,830
Inv. & adv. subs.	241,804	364,767
Misc. assets*	313,326	340,118
Fixed assets†	8,637,326	8,847,451
Total assets	22,116,982	23,354,806
Bank loan	1,770,000	2,290,000
Accts., tax, etc., pay.	4,354,857	4,759,230
Total curr. liab.	6,124,857	7,049,230
Due to subsid.	120,725	354,732
Reserves	20,000	20,000
Capital stock	7,954,400	7,954,400
Surplus	7,897,000	7,376,444
†After depr. of	3,846,016	3,382,410
*Incl. ref. EPT	256,963	430,387
§Incl. in curr. assets in co's report.		
Working capital	6,571,743	5,636,410

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"Not the least of the services which business newspapers perform is the dissemination of special knowledge . . . to increase efficiency . . . to reduce costs in production and distribution. We advertise consistently in good times and bad . . ."—H. W. Powell, Canadian Canners Limited.

". . . advertising results speak for themselves, for over the past six or seven years a phenomenal increase in our business has resulted from trade paper insertions . . ."—W. H. Metherell, Wesco Waterpaints (Canada) Limited.

"We have invested a lot of money in a wide range of these business newspaper publications . . . had considerable evidence of reader interest in ads. By the large number of enquiries received . . ."—E. G. Skirrow, Dunlop Tire & Rubber Goods Co. Ltd.

". . . The chief purpose behind our use of business newspaper advertising space is to maintain constant contact."—H. F. Osborne, The Yale & Towne Manufacturing Co. (Canadian Division).

"The L. E. Waterman Company Limited considers that the trade at large look forward to and read with interest publications which deal with the problems of their particular business, and it is our confirmed opinion that when we want to send a message to our many distributors and dealers, this is one of the surest and quickest means of reaching them . . ."—J. C. Cookson, L. E. Waterman Co. Ltd.

"After all, a firm can only do business with its friends. A healthy business must be constantly increasing its circle of friends, and it is here that business newspapers offer the opportunity to accomplish that purpose." — K. R. Townsend, Canadian Westinghouse Company Limited.

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Christmas Books for Business Men

Fiction

MARY, by Sholem Asch; Thomas Allen Ltd., Toronto; 436 pages; price $4.

The author of The Nazarene and The Apostle has scored another triumph in this dramatized account of the life of the Mother of Jesus.

Familiar stories of the Bible are lifted to a new understanding by his gifted writing, and a new emphasis is placed on her wisdom, love and strength.

The days of Jesus' youth, the customs and habits, and strengths and weaknesses of the people, all find new life here.

THE EGYPTIAN, by Mika Waltari; Thomas Allen Ltd., Toronto; 503 pages; price $4.

First published in Finland in 1945, this English translation by Naomi Walford has held the top of the U. S. fiction best-seller list for some time. It is a lusty story of the rise and fall of the physician to the Pharaohs; of love, murder, war and intrigues in one of the greatest periods of history, told with a wealth of description by one of Europe's leading writers.

CALL IT TREASON, by George Howe; Macmillan Co. of Canada, Toronto; 344 pages; $3.75.

The $15,000 Christopher's Award is for a book "in accord with Christian principles and not against them." That it should be awarded to Mr. Howe for his story of the war is one recommendation for the book; the other is the fact that few novels of recent years have equaled it for action and suspense.

It's the story of three prisoners of war who join the U.S. Army, and parachute behind the German lines to get vital information. Their motives are different, but Happy, the principal character, son of an anti-Nazi doctor, wanted to work only "for freedom."

THE SECOND CONFESSION, by Rex Stout; MacMillan Co. of Canada, Toronto; 245 pages; price $3.25.

For once, portly Nero Wolfe leaves the confines of his office and his hothouse, in company with Archie Goodwin, to solve a mystery.

The book moves with the customary speed of Wolfe's nimble mind and Goodwin's physical activity. Of one thing we can be sure: the Communists will give it careful reading: It is, in itself, as revealing a document of Communist Party methods as anything we have seen. More could be said, but since that is an essential part of the plot, it must be left to Nero Wolfe's finale. It's recommended reading for all mystery fans.

TWILIGHT ON THE FLOODS by Marguerite Steen; William Collins Sons & Co., Toronto; $3.75.

A continuation of the history the Flood family (The Sun is My Undoing), the slave trading which made the family fortune proves the undoing of another generation. The Ashanti rising in Africa forms a vivid portion of the book.

THE CONQUERORS, by Thomas B. Costain; Doubleday Publishers, Toronto; 430 pages; $4.50.

Former editor of Maclean's Magazine, and well-known for his historical novels (The Black Robe, High Towers, The Moneyman, etc.), Mr. Costain has set himself a monumental task. He proposes to write the history of the men and women who made England, lifting that history out of the dry as dust class, and giving it life and vitality.

In this, the first volume, he has succeeded with a period in which there are few original records and much confused writing.

He has done it by weaving the lives of puppets and wives into the story of the men who ruled England from William's victory at the Battle of Hastings in 1066 to the death of John in 1166.

The world has moved, swiftly and slowly alternately, through the centuries since Magna Carta, but for those who would understand more of the development of the English character, and its curious capacity for strength in adversity, we recommend The Conquerors.

THE STORM AND THE SILENCE, by David Walker; Thomas Allen Ltd., Toronto; 248 pages; price $3.25.

For those who have become accustomed to the fast-moving tempo of New York or Chicago Whodunits, The Storm and The Silence may be a disappointment. As a study of a man, it rises above them.

The author, now living in St. Andrews, N.B., with his Canadian wife and their three children, first came to Canada with Lord Tweedsmuir when he was appointed Governor-General; was taken prisoner with a Highland division in France in 1940; escaped and was caught three times in five years of life in German prison camps. He has put all the feeling of those three experiences into the mind of Tam Diamond.

BACKWOODS TEACHER, by Joseph Nelson; Longman's Green & Co., Toronto; $3.75.

Here is a humorous account of life in the Ozark Mountains, written by a man who, with his wife, spent 16 years teaching school there. There are eccentrics to liven the book; there is also a deep understanding of the people.

LET LOVE COME LAST by Taylor Caldwell; S. J. Reginald Saunders & Co., Toronto; $3.50.

Set in Philadelphia late in the 19th century, this novel is a tightly drawn story of family success and failure, with the characters carefully etched throughout.

NINETEEN EIGHTY-FOUR by George Orwell; S. J. Reginald Saunders & Co., Toronto; $3.

Since its publication in midsummer, Mr. Orwell's powerful indictment of statism has continued to attract more and more attention on all sides. To understand the full meaning of freedom, one has only to read this.

DON QUIXOTE, translated by Samuel Putnam; Macmillan's, Toronto; price $12.50.

Two splendid volumes of the old favorite, it is not only a collector's item, but a set in which the adventure and the humor so long associated with Don Quixote have been well-maintained.

THE EYE OF GOD, by Ludwig Bemelmans; Macmillan's, Toronto; price $3.75.

A Tyrolese inn turned sports resort provides the setting for this story which deals with the simple lives of the innkeeper and his friends, and the not-so-simple lives of the excitement-hunters who crowd the resort.

A MATTER OF TASTE by Richard Lockridge; Longmans, Green & Co., Toronto; 250 pages; price $3.75.

Co-author with his wife of the "Mr. and Mrs. North" mysteries, Mr. Lockridge has turned to another type of suspense — the psychological study of self-satisfield, middle-aged bachelor who suddenly has the desire to kill someone. The character study slows the pace of the book, but the interest returns with the first crime and the climax.

Biography

MACKENZIE KING OF CANADA, by H. Reginald Hardy; Oxford University Press, Toronto; price $3.50.

In some respects, Mr. Hardy, veteran of the Ottawa Press Gallery, has clarified the picture of the adroit politician who set a record as a first minister of the Crown by staying in office longer than Walpole's 7,620 days. His analysis of Mr. King's early life, his ideals and his temperament in office add much to an understanding of the Liberal leader. Unfortunately, the author allows his political prejudice to creep too often into the over-all picture, and to rise in defense of Mr. King by discrediting (and not always with foundation) those who opposed him, in or out of his own party. The times and politics being what they are, it will be for some historian of the future to assess, calmly and without bias, Mr. King's role in Canada's history.

SHAKESPEARE, by Ivor Brown; William Collins Sons & Co., Toronto; 352 pages; price $3.50.

Mr. Brown, dramatic critic, makes an honest attempt to tell the story of Shakespeare, the man, and from the little evidence which exists has produced an interesting book.

THE UNIVERSE OF G. B. S., by William Irvine; McGraw-Hill Co. of Canada, Toronto; $6.50

Of particular interest in this study of the unpredictable George Bernard Shaw is Mr. Irvine's emphasis, in the early chapters, on the development of the Shavian line of thought on economics and politics. Mr. Irvine deals at length with the Fabian group, and its discussions, acceptance or rejection of all or parts of Marx, Isben, Bentham and others, and of the influence of Shaw's association with Sidney Webb. He brings out, also, the influence of the whole group on English political and economic history, and no small influence it has been.

In later chapters, Mr. Irvine, professor of Victorian literature at Stanford University, deals with highlights of Shaw's personal life.

W. C. FIELDS, by Robert Lewis Taylor; Doubleday Publishers, Toronto; 340 pages; price, $4.

Press agents have pushed many stars into their brief moment in the limelight of the American stage and screen since the turn of the century. Most of them have disappeared, their names dimmed by death or faded by obscurity.

Bill Fields needed no press agent. He fought his way up to the top under the goad of youth-born fear of poverty, and he remained in the limelight until his death three years ago.

That's the story Mr. Taylor tells, and the many facets lose no lights in this biography of the self-styled "World's greatest juggler and comedian." He gained the first part of that title in his early years on the stage, when he combined fantastic juggling with dry humor; the comedy title will perhaps be remembered best by fans of his later years who followed his adventures in scores of films.

"The world's greatest comedian" had personal faults, but he can be forgiven them, because he made young and old laugh. And Mr. Taylor's book is going to keep them chuckling in retrospect at the era of which Fields was a part.

Humor

HOME SWEET ZOO, by Clare Barnes, Jr.; Doubleday Publishers, Toronto; 76 pages; $1.25

Here's a companion book to White Collar Zoo, the animal-picture satire on office and business affairs which has led the U.S. nonfiction best-seller lists for many weeks. In Home Sweet Zoo, all the animals of the Zoo play their roles in daily events of the home. Home Sweet Zoo may not catch up on its companion in the best-seller list, but it will be up near the top.

WE WENT THATAWAY, by H. Allen Smith; Doubleday Publishers, Toronto; 256 pages; price $3.

The satire that has characterized the Smith books (Life in a Putty Knife Factory, Low Man on a Totem Pole, etc.) is not lost in his report on the civilization of the Western United States. It's a combination of local legends and current comment that serves two purposes: it provides a sidelight on how people think and act, and it keeps the reader chuckling.

Canadiana

ACROSS CANADA, by Clare Bice; Macmillans, Toronto; price $2.75.

An interesting book designed to introduce children to many parts of Canada; eight full pages in color and other illustrations by the author, well-known Canadian artist.

ANDY CLARKE and his Neighborly News; edited by Gregory Clarke; Ryerson Press, Toronto; price $3.

Andy Clarke, the Mayor of Little Places who for eight years broadcast the heart of events as reported in Canada's weekly newspapers, needs no introduction to most Canadians. Here, the best parts of his scripts have been put together into a rich volume of rural Canadiana in the war and immediate postwar period. Assisting Greg Clarke in sorting out the millions of words were Gillis Purcell of Canadian Press, Frank Macintyre of the Canadian Weekly Newspapers' Association, and Dan McArthur of CBC.

General

THE WOODEN HORSE, by Eric Williams; Wm. Collins & Sons, Toronto; 256 pages; price $3.

In one of the best adventure stories to come out of the Second World War, one of the three British officers who escaped a German prison camp by a tunnel dug under a vaulting horse tells his story. The suspense of the actual work digging a 120-foot tunnel while fellow-prisoners took their exercise on the horse, and the subsequent flight across Germany to Denmark and thence to Sweden, are told in the same calm manner which must have conceived and carried out the escape, but it does not detract from the drama.

ROOSEVELT AND THE RUSSIANS, by Edward R. Stettinius, Jr.; Doubleday Publishers, Toronto; 367 pages; price $4.50.

As U. S. Secretary of State the late Mr. Stettinius had a grandstand seat at Yalta. It was there in February, 1945, three months before the fighting ended in Europe and six months before the Japs cried quits, that the Big Three met in a former summer palace of the Russian Czars on the shores of the Black Sea.

This book is supposed to give us the inside story of the much debated Yalta Conference. It would be more correct, perhaps, to describe it as one observer's view of that first attempt to plan the peace. The author vigorously defends the Roosevelt policy of sweeping concessions to Russia on the grounds that Stalin was still in the driver's seat, that the war outlook in Europe and more so in the Far East, still remained uncertain. In the light of subsequent history the reader may not be altogether convinced of that argument.

ANSWER WITHOUT CEASING, by Margaret Lee Runbeck; Thomas Allen Ltd., Toronto; 333 pages; price $3.75

The best introduction to this book is to quote Miss Runbeck: "My deepest aim has been to indicate the atmosphere of modern enquiry and proof of evidence of God in men's affairs. I have rejected many highly dramatic accounts which have come to me, because it is dangerously easy to drift into a kind of spiritual soap-opera realm, and miss the real meanings."

She has succeeded skilfully in a volume of 30 compact chapters which cannot help but bring inspiration and renew faith. Among the individual stories are those of scientist Leonard H. Day; contralto Marian Anderson, and industrialist R. G. LeTourneau.

A WRITER'S NOTEBOOK, by W. Somerset Maugham; Doubleday Publishers, Toronto; 367 pages; price $3.

A favorite bit of advice to would-be writers is: Keep a notebook, put down the things you see and hear, the ideas you get, because some day they might make a story.

Somerset Maugham admits near the close of his Notebook that he won't be writing many more stories. But in one volume he has selected some of the gems from 57 years of notes. Some of them were written in trim formal notebooks, others on scraps of paper, backs of envelopes. They all have the same quality: his ability to penetrate false fronts, in people, communities or countries.

EASTERN APPROACHES, by Fitzroy Maclean; Clarke, Irwin & Co., Toronto; 543 pages; price $3.75

There can be only one criticism of this personal account of adventure: the early sections sound too much like a travelogue. That warning is given so that readers who may begin to feel bored may be encouraged to hasten through to reach the meat course.

Of current interest, in view of the Balkan situation, is the story of his work in Jugoslavia from 1943 to the end of the war as head of the Allied Mission to the guerilla leader, Tito. It is a tale of high adventure and hardship in the Balkan mountains, of parachute landings and guerilla battles, and of the political turmoil of the Balkans.

HOW TO SLEEP, by Dr. James Bender; Longman's, Green & Co., Toronto; 243 pages; $3.50.

"As you go up the vocational ladder, you find more and more insomniacs, especially among the professions and fat-income groups."

To those who are among the leaders in business and industry, those words of Dr. Bender should provide a warning.

It has been said of some books that they "will put you to sleep," but is it wise to depend on such an agent of Morpheus? Dr. Bender sets out to show that, particularly for those who have trouble getting to sleep, or those who get up in the morning feeling as if they hadn't slept at all, there are some fundamentals. Health, mental attitudes, physical comfort—these all play a part.

Dr. Bender is director of the National Institute for Human Relations, New York, and his book includes studies made by the Institute and other research organizations.

BY MOONSTONE CREEK, by Kenneth McNeill Wells; J. M. Dent & Sons (Canada) Ltd.; 280 pages; price $3.75.

Ontario's Medonte Township continues on its way to literary fame. Kenneth and Lucille Oille Wells introduced it to Canadians first in their weekly column, "The Owl Pen" in the Toronto Telegram; followed that last year with the book of the same name.

Here's more of The Owl Pen, with more woodcuts by Lucille Oille; and over it the same homey atmosphere, the same feeling of belonging which made their first book such a success.

If you've ever wandered by a country creek in the spring; watched the sunlight play on its deep winter drifts; or chatted with the farmer beside it, you know Moonstone Creek, and will want to renew acquaintance. If not, you should meet it.

Here's just one sample: "The warm sun was shrinking the drifts. The south wind was wasting them away. The tens upon tens of billions of icy crystals that composed them were tumbling together, crashing together, ringing together like infinitely small goblets clashed together on a fairy winebibber's tray. They rang like bells, like elfin bells, like the bells of fairy land."

There's Farmer Tom, Thunder the dog, Herrick the cavalier duck, and all the other characters of The Owl Pen, to take you out of the hustle and bustle of the city.

AFTER (BUSINESS) HOURS; Ryerson Press, Toronto; 366 pages; price $5.

In his foreword, C. B. Larrabee, president and publisher of Printers' Ink, U. S. marketing and advertising magazine, says that one reader thought this collection of gems "would make an ideal bedside book."

We can't agree with that thought. There is too much meat in any one of the 150 sparkling items, chosen from the "After Hours" column of Printers' Ink. It should be read, rather, at breakfast, just before or after the morning paper, to stimulate the mind in preparation for another day at the office.

The U. S. Best Sellers

The 16 best-sellers in 36 U. S. cities in fiction and general classifications are:

FICTION

- The Egyptian (Waltari)
- A Rage to Live (O'Hara)
- Mary (Asch)
- The Way West (Guthrie Jr.)
- Let Love Come Last (Caldwell)
- Father of the Bride (Streeter)
- The Mudlark (Bonnet)
- Twighlight on the Floods (Steen)
- The Man with the Golden Arm (Algren)
- Loving (Green)
- Gypsy Sixpence (Marshall)
- The Lonely (Gallico)
- The Passionate Journey (Stone)
- Nineteen Eighty-Four (Orwell)
- The Big Fisherman (Douglas)
- The Dream Merchants (Robbins)

GENERAL

- White Collar Zoo (Barnes)
- The Mature Mind (Overstreet)
- The Waters of Siloe (Merton)
- The Seven Story Mountain (Merton)
- Peace of Soul (Sheen)
- A Guide to Confident Living (Peale)
- The Autobiography of Will Rogers (Day)
- The Aspirin Age, 1919-1941 (Leighton)
- Cheaper by the Dozen (Gilbreth and Carey)
- American Freedom and Catholic Power (Blanchard)
- W. C. Fields (Taylor)
- Killers of the Dream (Smith)
- Baghdad-By-The-Bay (Caen)
- A Writer's Notebook (Maugham)
- The Conquerors (Costain)
- Chips off the Old Benchley (Benchley)

The Top Ten in Canada

Listed below are the current best-sellers in Canada, as compiled by Canadian Bookseller (Maclean-Hunter):

FICTION

1. "The Egyptian," Waltari (Allen)
2. "Twighlight on the Floods," Steen (Collins)
3. "The Big Fisherman," Douglas (Allen)
4. "A Rage to Live," O'Hara (Random House)
5. "Mr. Ames Against Time," Child (Ryerson)

Also (in approximate order)—"Brief Gaudy Hour," "The Passionate Journey," "Cutlass Empire," "Both Your Houses," "Mary."

GENERAL

1. "Cheaper By The Dozen," Gilbreth & Carey (Ambassador)
2. "Seven Story Mountain," Merton (McLeod)
3. "White Collar Zoo," Barnes (Doubleday)
4. "The Wooden Horse," Williams (Collins)
5. "A Writer's Notebook," Maugham (Doubleday & Heinemann)

Also (in approximate order only): "Peace of Soul," "The Waters of Siloe," "How to Stop Worrying and Start Living," "Eastern Approaches," "Tom Cullen of Baltimore."

BOOKS THE PERFECT GIFT

YOUNG BUSH PILOT
By Jack Hambleton
The further adventures of Bill Hanson, who won the hearts of Canadian teen-agers — and their parents—in *Forest Ranger*. Now a full-fledged pilot, he helps fight a runaway forest fire and capture a notorious poacher. $2.75

HOW TO SLEEP
By James F. Bender
Practical advice for the tossers and turners, written in an easy, humorous style. $3.50

TO EVERY MAN A PENNY
By Bruce Marshall
Against the background of a quiet square in Paris, the author of *The World, the Flesh and Father Smith* traces the story of a saintly and lovable French priest, as two world wars rage and subside and as statesmen come and go. $4.00

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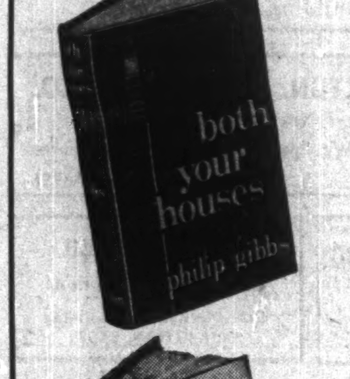

Gift Books For All The Family

BOTH YOUR HOUSES
By Sir Philip Gibbs. This new novel is of immense topical interest because it is a political romance of present-day Britain and gives a vivid picture of the United Kingdom under a Socialist government. $3.00

THE PARASITES
By Daphne du Maurier. This is the author's first novel of modern life since **REBECCA**, which sold over 2,000,000 copies. It is the story of the fabulous Delaneys, a much-talented family of concert and stage. Do not miss it. $3.50

TALES OF THE MOUNTED
By William Brockie. Thrilling stories of The Royal Canadian Mounted Police, particularly admirable because not fictionized. The author relates in simple, straightforward style the most outstanding experiences of the years in which he served with the famous Force. $2.75

WARTIME ECONOMIC CO-OPERATION
By R. Warren James. This new C.I.I.A. book has a special value for business men in basic industries. It deals with the intimate economic co-operation between Canada and the United States during World War II, including the conceding of priorities to Canadian industry. $5.00

FOR GOODNESS' SAKE
By Nancy Jones. "A touching, charming and unaffected picture of what it is to be the wife of a Protestant clergyman in Canada to-day . . . . One of the sweetest and most heart-warming books I have ever had the good fortune to read."—George Austen in **Mayfair.** Second edition. $3.00

THE FOOL BELOVED
By Jeffery Farnol. Adventure at its most breathtaking and a delightful romance are the stuff of which this book is made. It is the story of Count Angelo, brother of Fortunio, a victorious commander in the desperate wars of duchy against duchy in Italy. $3.00

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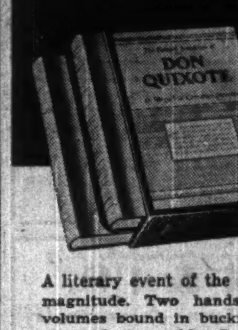

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Red Flannels and Green Ice, by Arthur Pocock. A book that men will particularly enjoy. Sidesplitting account of the author's experiences with the U. S. Navy in the Arctic waters. However, besides being a gloom-chaser it is filled with all kinds of information about the far north. Each **3.50**

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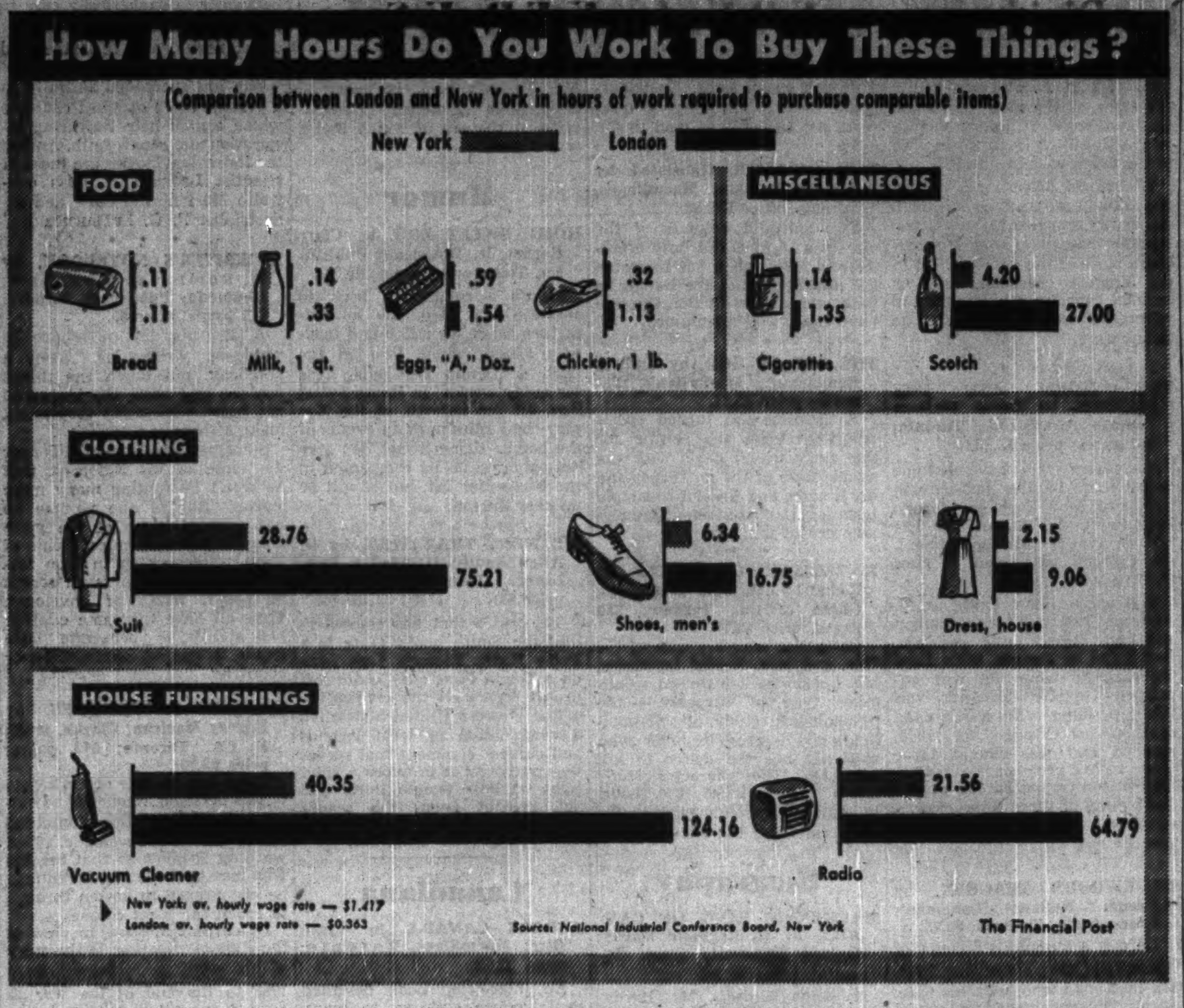

Imperial Oil's '49 Earnings Seen at '48 Level, Bonds Sold

The net profit, after taxes, of Imperial Oil Ltd. for the fiscal year ending Dec. 31, 1949, barring unforeseen circumstances, should not vary substantially from the preceding year, according to President G. L. Stewart in a prospectus covering a refunding and new issue of $50 million debentures. In 1948, Imperial's net profit was equivalent to earnings of 84.2c a common share.

A rapid over-subscription is reported to the new $50 million debentures offered in Canada only, from coast to coast, through a large syndicate headed by Dominion Securities Corp. and A. E. Ames & Co. The debentures, to be dated Dec. 15, 1949, consisted of $10 millions 2½% serial debentures due Dec. 15, 1952-55 ($1 million a year) and Dec. 15, 1956-59 ($1.5 million a year), sold privately; and $40 millions 3% sinking fund debentures due Dec. 15, 1969, offered at $98.15 and accrued interest to yield about 3.125%. Sinking fund debentures were quoted about $98¼ bid to $98¾ asked the next day.

Proceeds will be used to the extent of $30 million to redeem forthwith, at the principal amount, the presently outstanding 2¼% serial debentures series "A" which mature 1950 to 1955. The balance will be used for general corporate purposes.

Outstanding debentures now amount to $30 million which mature between 1950 and 1955. Only $4 million of the new issue will be repaid in that period. So, as well as providing $20 million of new working capital immediately, the new issue will make available a further $26 million over the next few years, a period when very large expenditures will be required, particularly for the company's program in Western Canada.

The company and its subsidiaries have spent over $45 million exploring for crude oil in Canada up to Aug. 31, 1949, and an additional $35 million in the past three years developing the fields which have been discovered, the prospectus states. Further substantial sums will have to be expended to fully develop these fields and the company expects that a continued extensive exploration program, particularly in Western Canada, will be justified for some time to come. Large expenditures will also be needed for new transportation, manufacturing and other facilities.

Imperial's net crude oil reserves have increased from 19 million barrels at the end of 1945 to 323 million barrels at the end of 1948, and to an estimated 665 million barrels at Sept. 30, 1949, of which latter amount over 96% is located in Alberta.

There has also been a substantial increase in the company's production of crude oil. In 1946, Imperial's output of Canadian crude amounted to 313,876 barrels. In 1947, the year of the Leduc discovery, it advanced to 565,459 barrels, and in 1948 to 2,685,724 barrels. For the first nine months of this year production was 5,708,091 barrels, the prospectus shows.

An earnings statement for the eight months ended Aug. 31, 1949 shows a net profit of $10,918,424. This compares with a net of $22,832,071 for the year 1948. It is explained, however, that the eight months figures are not necessarily indicative of the full year's earnings as earnings do not accrue by regular increments, but vary considerably during different periods in each year.

The sinking fund on the new issue will be sufficient to retire $20 million principal amount prior to maturity through retirement of $2 million on Dec. 15 in each of the years 1960 to 1964, and $2.5 million in each of the years 1965 to 1968.

Capacity Business For Hunt's Ltd.

Volume of sales of Hunt's Ltd. in the current year is holding at about the same level as in 1948. Dollar value of sales in 1948 totaled $3,025,541, but this figure includes the 25% excise tax on candy which the Government repealed on March 23, 1949.

The plant is operating at capacity and the company cannot keep up with the increased demand for its products, it is said. Business is particularly brisk in the wholesale candy division which has now a national distribution. Further expansion of plant facilities is planned in line with increased business. Most recent extension to the Toronto plant was completed in August, 1947, at a cost of about $150,000.

During the year three new stores will have been added to the chain of retail stores which now number 40. This includes two new stores, one on Adelaide St., Toronto, and the other in Weston, Ont., scheduled to be opened by end of the year. Another store on Yonge St., Toronto, was opened earlier this year.

Chartered Banks Open 16 Branches in Month

Chartered banks opened 16 branches in the month ended Nov. 17 the Bank Directory of Canada reveals. New branches were:

Commerce at Big River, Sask.; Dominion — Moncton, N.B., Steep Rock Lake, Ont., (sub-agency), Wilson Heights, Ont;

Montreal — Deer Lake, Nfld., East York, Toronto;

Nationale—St. Francois D'Assise, Que.,

Nova Scotia — Choiceland, Sask., Main & Kenilworth, Hamilton, Ont., Freshwater & Parade, St. John's, Nfld., Smeaton, Sask., (sub-agency), Willowdale, Ont.;

Royal — Churchill, Man., Bonnie Doon, Edmonton, Inglewood, Ont., (sub-agency), Mackenzie, British Guiana.

One branch was closed, a sub-agency of the Canadian Bank of Commerce at Steep Rock Lake, Ont., leaving a net gain of 15. Total number of branches in Canada as at Oct. 31 was 3,543.

Immediately after sterling devaluation, National Industrial Conference Board of New York flew a team of researchers to London to price items in the budget of the average Britisher and to translate them into hours of work required to purchase them.

Chart above gives a comparison between New York and London work-hour "prices" for selected items. Following is a complete table of the items priced in terms of dollars and of work-hours:

	New York	(1) London	(2) New York	(3) London	London Cost in Hours as % of New York Cost in Hours
	Dollars		Hours of Work		
FOOD					
Bread, 1 lb., white, wrapped, bleached	$.16	$.04	.11	.11	100.0
Potatoes, 5 lbs., white	.21	.09	.15	.25	166.7
Tomato juice, 46 fl. oz.	.21	.46	.15	1.27	846.7
*Sugar, 5 lbs.	.45	.29	.32	.80	250.0
Tea, ¼ lb.	.25	.11	.18	.30	166.7
Coffee, 1 lb.	.48	.26	.34	.72	211.8
Milk, 1 qt.	.29	.12	.14	.33	235.7
Butter, 1 lb.	.73	.23	.52	.63	121.2
Milk, condensed, sweet., 10 oz.	.09	.06	.06	.17	283.3
Eggs, Grade A, 1 doz.	.83	.56	.59	1.54	261.0
Chicken, 1 lb.	.45	.41	.32	1.13	353.1
CLOTHING					
Suit	$40.75	$27.30	28.76	75.21	261.5
Shoes (Men's)	8.98	6.08	6.34	16.75	264.2
Hose (Men's)	.85	.83	.60	2.29	381.7
Hat (Men's)	5.10	5.25	3.60	14.46	401.7
Dress, house	3.05	3.29	2.15	9.06	421.4
Hose, nylon	1.53	1.55	1.08	4.27	395.4
Hose, rayon	1.38	.91	.97	2.51	258.8
Shoes, (Women's)	6.11	6.08	4.31	16.75	388.6
HOUSE FURNISHINGS					
Dining room suite	$193.80	$100.33	136.77	276.39	202.1
Vacuum cleaner	57.17	45.07	40.35	124.16	307.7
Radio	30.55	23.52	21.56	64.79	300.5
MISCELLANEOUS					
Toothpaste	$.20	$.21	.14	.58	414.3
Shaving cream	.45	.36	.32	.99	309.4
Haircut	.90	.21	.64	.58	90.6
Newspaper	.05	.01	.04	.03	75.0
Cigarettes	.20	.49	.14	1.35	964.3
*Soap	.15	.16	.11	.44	400.0
Gasoline	.26	.29	.18	.80	444.4
Scotch	5.95	9.80	4.20	27.00	642.9
Gin	3.46	4.53	2.44	12.48	511.5
Beer, bottled, 12 oz.	.13	.16	.09	.44	488.9

(1) £=$2.80

(2) Average Wage, $1.417 (3) Average Wage $ .363

(*) **Interpretation of Data:** In terms of hours of work required to purchase it, a five-pound package of sugar costs **two and one half times as much** in London as in New York. Or, percentagewise, it costs **150% more** in London.

Construction Men Optimists Digesting $2¾ Billion 'Meal'

Canada's construction industry this year is completing about $2 billions of new structures—everything from houses and hospitals to highways and harbors — plus $700 millions of repair and maintenance in city, farm and wilderness. Up 5% to 7% in physical volume from the 1948 level, it's the highest ever recorded, with spending on new construction running at about $148 per capita against $128 in United States.

And for 1950, and the fifth decade?

To find answers in what has gone before and what's shaping here and abroad that industry's senior organization will meet in Montreal next month. The 32-year-old Canadian Construction Association, counting as member-firms more than 730 manufacturers, distributors, road, general and trade contractors, expects 550 delegates at its three-day annual meeting Jan. 15-18, and speakers including Prime Minister St. Laurent and Massey-Harris' J. S. Duncan, chairman of the new Dollar-Sterling Trade Board.

One big-scale development to get top attention at the CCA meeting is the proposed 1950 start of construction by all provinces on completion work and new roadbuilding for Canada's transcontinental highway. This calls for $300 millions spending in seven years, with half contributed by Ottawa.

On the federal contribution, expected to get an early okay by the Senate, one promise recently came as a pleasant surprise to some in the industry. The bill provides, not only grants for future construction, but also 50-50 payments for past capital spending on roads already built which will form part of the Trans-Canada route. And since no strings seem to be attached as to how these "reimbursement" grants are to be used, there is some expectation the federal aid program may also stimulate building by some provinces of north-south connecting roads, tourist and mining routes and the like.

Bank Advertisement Explains How Customers' Funds Are Used

Bank of Nova Scotia, in advertising its annual statement this year blazes a new trail in showing what the figures in the balance sheet (inset in the advertisement), actually mean to the average person.

In dialogue between husband and wife the wife explains how the deposits of an average couple representing Bank of Nova Scotia customers at say $200 each, in the aggregate amount to over $740 millions.

To meet the daily needs of people who want to withdraw money, the bank keeps about $146 millions in cash, she explains. This is shown by the item among the assets, "cash, clearings and due from banks." And, continues the wife, "there's enough extra in government bonds and stocks, and what the manager says they call short-term loans, to take care of emergencies if a lot of people wanted all their money at once."

Then, "government securities, and other bonds are just other names for loans to help governments to build new roads, schools and so on, or to help businesses make more goods and develop new products. That not only puts more people to work . . . it means that there will be better conditions and more things for us to buy at cheaper prices." . . . These loans, she continued, amount to $629 millions, about $50 for every man, woman and child in the country. So, the husband concludes, "We've not only got a nice nest egg of savings, but at the same time our money is out working in dozens of ways — money loaned to governments and businesses of every sort to make the country more prosperous . . . even money loaned to thousands of individuals who need bank credit to tide them over emergencies, or let them take advantage of special opportunities."

Thus the customer is shown the significance of the various items in the balance sheet and by implication the importance of the bank employing his funds, in loans and investments.

QUESABE MINES received payment for Nov. 15 installment of 50,000 shares at 40c a share under agreement with Mines Development Co. Issued capital is 3,316,674 shares leaving 183,326 in treasury.

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Dec. Dividends $75.9 Millions

Dividends payable in December (as declared to Nov. 25) amount to $75,900,016 as against $75,869,124 for same month last year.

Payment of $3,631,022 by International Petroleum Co. (paid in November last year) more than counteracted the reduced payment of Hudson Bay Mining & Smelting Co. (paid $5,515,946 last Dec., $2,757,973 this Dec.). Payment of year-end extras by a long list of industrial companies is a feature of this December's dividend record.

In the industrial group, 164 companies will distribute $38,493,373 as against the $37,169,428 paid out by 138 companies last December. Payments by 28 mining companies will amount to $23,291,150 as compared with $25,931,111 paid out by 20 companies last year. Eight oil firms will distribute $11,847,833 as against $8,128,128 paid out by seven companies last December. Payments by 15 financial institutions will total $2,207,660 ($1,789,277 paid out by nine firms last year).

Total payments paid and declared for the entire year 1949 to date run 10.7% higher than in 1948. Following is a list of payments for December, 1949, as compiled by The Financial Post from records now available.

Monthly Dividends

	1949	1948
January	$58,506,490	$53,238,358
February	14,115,642	12,895,875
March	51,861,572	42,908,114
April	29,070,455	25,751,063
May	12,174,090	11,450,060
June	65,235,286	55,162,394
July	49,804,053	42,808,672
August	14,300,103	13,427,645
September	39,182,899	32,350,848
October	34,319,125	31,153,502
November	10,361,605	13,676,604
December	75,900,016	75,869,124
Total	454,831,336	410,692,259

Industrials and Utilities

Company:	Rate $	Date	Amount $
Abitibi	.25	1	310,423
Acadia-Atlantic 5% p.	1.25q	15	37,500
Acme Glove $1 pfd.	.50s	1	24,000
Agnew Surpass	.15q	1	60,442
Aluminium	.60+.50	5	3,759,270
Aluminum 4% pfd.	.25q	1	141,376
Anglo-Can. Tele. A	.15q	1	73,065
Andian Nat.	†.20	1	510,000
Argus	.15q	1	127,500
Do. 4½% pfd.	†1.12½q	1	429,812
Asbestos	.30q+▲.40	22	420,000
Assoc. Tel. & Tel. 6% 1st pf.	3.42	19	145,027
Auto Electric	.10	15	10,000
Do. A	.12½q	15	3,750
Barber-Ellis	.50	15	22,000
Bath. Pr. & P. A	.37½q+▲.12½	1	200,000
Brazil. Tract.	1.00	15	7,029,893
British Am. Bk. Note	.40	15	60,000
Brown Co. pfd.	†1.50q	1	162,170
Bruck Silk Mills A	.30q	15	37,500
Do. B	.07½q+▲.07½	15	37,500
Burrard D. D. A	.11q	15	27,500
Butterfly Hose	.25	15	26,945
Canada Cement pfd.	.32½q	20	326,412
Can. Crushed Stone	.15q	20	9,561
Can. Dom. Sugar	.25	1	375,000
Can. Flooring A	.25q	1	10,200
Can. Foils	.10	15	10,000
Can. Fdry. Forg. A	.37½q	14	11,754
Do. B	1.50	16	14,400
Can. Machine	.25s	28	25,000
Canada Malting	.50q+▲.50	15	198,972
Can. Safeway 4½% p.	1.12½q	1	50,625
Can. Vinegars	.20q+▲.15	1	32,200
Can. W. N. Gas 4% pfd.	.20q	1	30,082
Can. Wire & Cable A	1.00q	15	29,668
Do. B	.50	15	75,332
Can. Celanese	.50	31	620,818
Do. $1.00 pfd.	.25q	31	25,000
Do. $1.75 pfd.	.43¾q	31	175,000
Can. Fairbanks	.25q+▲.25	1	40,000
Can. Ind. Alcohol A, B	.25	10	277,979
Can. Int. Inv. Tr. pfd.	5.00	1	56,000
Can. Motor Lamp	.15q	15	15,000
Can. Tire	.30q	1	30,000
Cap. Wire Cloth	1.00a	1	25,000
Do. pfd.	.37q	1	3,700
Cent. Nor. Air. A	.25	1	4,000
Do. pfd.	.25	1	1,875
Cockshutt Plow	.20q	1	85,448
Cons. Textile	.15	1	30,000
Do. 5% pfd.	.50s	1	9,330
Cons. Theatres A	.12q	1	9,744
Cooksville A	.15q	1	13,350
Corr. Paper Box	.37½q	1	17,625
Do. 5% pfd.	1.25q	1	5,625
Crow's Nest Coal	2.00	2	124,252
David & Frere A	.25q+▲.50	31	16,116
Davis Leather A	.37½q	1	37,500
Do. B	.17½q	1	27,452
De Havilland Air. A pfd.	1.00	1	32,000
Dist. Corp.-Seag.	.30	15	263,081
Dom. Electro.	■.20	1	20,000
Dom. Coal pfd.	♦.37	22	79,328
Dom. Stores	.37½q	15	117,380
Donohue Bros.	.25q	1	37,500
Eddy Paper A	.25q	15	50,000
Electrolux	†.40	15	492,200
Erie Floor. & Wood A	.30q	31	10,500
Do. B	■.50	31	30,000
Famous Players	.25q	24	434,268
Fanny Farmer	.37½+▲.50	21	299,250
Fibre Prods. c.	.20q	22	13,200
Ford Motor A & B	.25q+▲.25	9	829,480
Gair of Can. 4% pfd.	1.00q	1	13,500
Gordon MacKay A	.12½q	15	25,200
Do. B	.25	15	50,400
Grafton A	.25q	15	9,030
Gt. Lakes Pap.	.25	31	100,000
Do. A	.62½q	31	59,681
Do. B	.30q	31	30,000
Gypsum, Lime	.25q	1	110,011
Hamilton Cotton	.22½q	1	18,000
Imp. Tobac. ord.	.12½q	30	1,203,879
Imp. Varnish	.25q+▲.10	1	18,763
Do. pfd.	.37½q	1	40,021
Int. Coal & Coke	.01½	15	45,000
Intl. Paper	†1.00q+▲1.00	15	7,120,000
Do. 4% pfd.	†1.00q	15	220,000
Inter. Utilities	†.25q	1	196,533
Kelvinator	.75q	20	75,000
Lake of Woods M.	.40q	1	59,076
Do. pfd.	1.75q	1	26,250
Langley's 7% pfd.	1.00	1	5,657
Laura Secord	.20q	1	57,500
Alf. Lambert pfd.	.25q	1	18,750
M. Loew's	1.00q	31	7,500
Lounsbury A	.12½q	1	13,311
Do. B	.50	1	19,190
Loblaw Gros. A B	.25q+▲.12½	1	310,633
Loblaw Gros. Inc.	†.20q	1	70,298
MacKinnon S. S. pfd.	1.25q	15	3,736
Maclaren Pwr.	▲.50	15	250,000
H. R. Macmillan A	.12½q	31	93,874
Do. B	.12½q	31	281,621
Massey-Harris	.37½q+▲1.00	15	221,650
Maxwell Ltd.	.12½q	1	12,500
Melchers 6% pfd.	.30s	31	37,500
Mitchell, Robt.	.50s	15	36,200
Mod. Containers	.50	2	25,000
Molson's Brew.	.25q	20	187,500
H. Morgan pfd.	1.19q	1	17,850
Nat. Drug.	.12½q	1	31,298
Do. pfd.	.15q	1	36,728
Nat. Sewer Pipe A	.60q	16	16,636
Neilson, Wm. 5% pfd.	1.25q	1	30,887
Nfld. Lt. & Pwr.	.25q	1	30,000
Nor. Que. Pwr. pfd. 5%	1.25q	1	12,500
N. S. Lt. & Pr. 4% pfd.	1.00q	1	20,000
Do. 4½% pfd.	1.13q	1	14,206
Do. 6% pfd.	1.50q	1	36,450
Ogilvie Flour pfd.	1.75q	1	35,000
Pacific Coyle	.03	1	13,203
Parmenter & Bulloch	2.50	10	7,800
Paton Mfg.	.20q	15	10,000
Do. pfd.	.35q	15	10,500

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INCOME TAX

Deals "Not At Arms Length"

In the proposed amendments to The Income Tax Act, the term "not dealing at arm's length" is used, for example, regarding rentals or prices at a level below the normal for similar transactions and for transfers of property for less than the capital cost to the original owner. What does this expression mean?

"Not dealing at arm's length" means that the transaction was one such as might occur between people on intimate terms such as close relations. In The Income Tax Act of 1948, the new Act, the expression is explained thus:

"Section 127(5) Arm's Length—For the purposes of this Act

"(a) A corporation and a person or one of several persons by whom it is directly or indirectly controlled,

"(b) Corporations controlled directly or indirectly by the same person, or

"(c) Persons connected by blood relationship, marriage or adoption—shall without extending the meaning of the expression 'to deal with each other at arm's length' be deemed not to deal with each other at arm's length."

The implication is that where there is a close relationship by stock control, or blood, marriage, or adoption, the parties concerned would not be dealing at arm's length and the terms of the deal would be influenced by the close relationship. One authority explains it by saying that deals made "not at arm's length" would be controlled, would not be on a competitive basis. The consideration evidently here again is that where a transaction takes place between affiliated companies or between relatives, the terms are likely to be much easier than where a similar deal is made in the open market or under competition. Thus a father might sell a son a business for a nominal sum, a deal which would not be competitive and might have a bearing on the taxpayer's position. Similarly in a deal "not at arm's length" the price paid might be higher than in a competitive deal.

Chrysler Shares

A week or two ago you had an item in The Financial Post saying that the increase in the par value of Chrysler Corp. shares is considered taxable income in Canada. I understand in the proposed amendments to the Income Tax Act there is a clause changing this ruling. Could you tell me is this correct?

Yes. A proposed amendment to the existing Act relieves Canadians of tax liability in cases such as that of Chrysler where a foreign corporation is capitalizing surplus.

Dec. Dividends (cont.)

Company	Rate $	Date	Amount $
Power Corp.	.50	31	223,183
Powell River	.50q+▲.85	15	2,487,685
Pressed Metals	†.25	1	70,499
Regent Knit. pfd.	.40q	1	6,400
Reliance Grain	10.00	15	1,000,000
Robinson, Little A	.25q	1	6,250
Rolland Pap. 4¼% pfd.	1.06¼q	15	18,063
Russell Ind.	.20	27	131,192
Do. pfd. 7%	1.75q	27	1,051
Sarnia Bridge	.10q+▲.10	15	27,000
Scythes & Co.	.25q	1	12,500
Do. pfd.	.31¼q	1	4,494
Sick's Brew.	.25q+▲.25	31	476,000
Silknit	.15q	15	9,613
Do. pfd.	.50q	15	7,500
H. Simon & Sons	.30q	1	9,015
Do. 5% pfd.	1.25q	1	5,000
Simpsons 4½% pfd.	1.12½q	15	168,750
Standard Chem.	.12½q	1	93,750
Do. 5% pfd.	1.25q	1	37,500
Stowell Screw A	.75s	1	5,625
Sun Publishing	.25	1	187,500
Super-Serv. St. 4½% pf.	.11¼q	15	5,625
Taylor P. & C. pfd.	.12½q	1	3,125
Toronto Elev.	.15q	1	37,155
Un. Amuse. A & B	.50s+▲.75	30	87,213
United Auto 5% pfd.	1.25q	1	9,688
United Steel	.15q	30	70,414
Viceroy Mfg.	.15q▲.20	15	41,367
Virginia Dare 5% pf.	.31¼q	1	5,000
Walker-Good	.60	15	1,737,609
Westeel	.50q+▲1.00	15	177,226
G. Weston 4½% pfd.	1.12½q	1	73,125
Wilson, J. C.	.15q	15	24,863
Winnipeg Electric	.70	31	395,492
Do. pfd.	2.50s	31	125,000
Woods Mfg.	.50	15	32,276
York Knit. Mills A	.20s	31	65,903
Total			38,493,373
Mining Companies			
Aunor G. M.	.05q	1	100,000
Bulolo	.50	2	500,000
Can. Malartic	.02s	14	73,027
Cent. Pat. G. M.	.06	21	150,000
Coch. Willans	.04	29	118,466
Falconbridge	.15	15	505,486
Hallnor	.07	1	140,000
Hollinger Cons.	.06q	30	295,200
Howey G. M.	.012	31	60,000
Hudson Bay M.	1.00q	19	2,757,973
Inter. Nickel c.	†.40q+▲.40	20	11,667,220
Island Mountain	.07	15	73,550
Kerr-Addison	.18	29	851,454
Lake Dufault	.02½	15	63,690
Lake Shore M.	.20	15	400,000
Macassa	.03	15	80,342
Madsen Red L.	.05	22	174,976
McIntyre Porc.	.50¼q	1	400,995
McKenzie Red Lake	.03	5	88,200
Mining Corp.	.15	9	320,221
Noranda Mines	1.00q	15	2,239,772
Normetal	.10	9	375,701
North. Empire M.	.15	12	60,000
Pamour Porc. M.	.07	15	350,000
Placer Develop.	.25	9	200,000
Proprietary M.	.18	29	165,506
Ventures	.05	20	89,371
Waite Amulet	.30	10	990,000
Total			23,291,150
Oil Companies			
Davies Pet.	.01	1	18,500
Home Oil	.25	15	489,390
Globe Oil	.02	1	80,000
Imperial Oil	.25s	1	6,783,461
Int. Pet.	.25s	1	3,631,022
McColl-Front.	.25s	15	651,991
Royalite Oil	.06¼	1	186,547
Stuart, D. A. p.	.20q	1	6,722
Total			11,847,833
Financial			
Bk. Can. Nationale	.20q	1	140,000
Bank of Montreal	.20q	1	720,000
Bank of Toronto	.30q	1	180,000
Confed. Life 40% pd.	2.00q	15	8,000
Industrial Accept.	.50	31	130,000
Do. 4¼% pfd.	1.06¼q	31	15,938
Do. 5% pfd.	1.25q	31	18,750
Do. 5% conv. pfd.	.31¼q	31	25,000
Dom. Anglo Invest. p.	1.25q	1	13,360
Dom. Scot. Inv. p.	.62½q	1	30,710
La Bk. d'Economie de Que.	.25q	1	25,000
Royal Bank	.25q	1	875,000
Sec. Can. Int. Inv. Tr.	.10q+▲.10	1	3,772
Do. pfd.	.10q+▲.10	1	7,430
Sovereign L. 20-25 %pd.	7%	15	14,700
Total			2,207,660
Grand total			75,506,615

q Quarterly. s Semiannually. a Annually. †Payable in N. Y. funds. ■Initial. ▲Extra. §On redemption. ♦On arrears.

INVESTMENTS

Waterloo Mfg. Co.

Please give me some information on Waterloo Manufacturing Co. It's common stock is not listed. Where can I get regular quotations on it?

The common stock of Waterloo Manufacturing Co. is quoted at $6 bid to $7 asked a share. You will find a quotation on this stock appearing each week in The Financial Post under the heading of "Unlisted Stocks."

Earnings per share have been $1.84 in 1948, $1.75 in 1947, $1.29 in 1946, and $2.23 in 1945. Although we have no official information, The Financial Post understands that results for this year should show about the same as last year.

No common dividend was paid until last March when an initial dividend of 50c a share was paid March 1, 1949. Preferred dividends have been paid regularly, semi-annually at the rate of 4½% since Jan. 1, 1945, the date on which the rate on the preferred stock was further reduced to 4½% per annum.

Working capital increased to $381,903 at Dec. 31, 1948, from $342,993 at the end of the previous year. This compares with working capital of $314,951 at Dec. 31, 1945.

Waterloo Mfg. Co. is a distributor of farm equipment in Eastern Canada and also manufactures construction equipment under rights acquired in 1946 from Construction Machinery Co., Waterloo, Iowa. The company holds the franchise for distribution of farm implements of Minneapolis-Moline Co. of Minneapolis for Ontario and Quebec.

Crowshore Patricia

Would you please give me some details on holdings of Crowshore Patricia Gold Mines? Do you think that further work is likely?

Crowshore Patricia Gold Mines has done very little work recently—aside from prospecting on claims at July Falls—but some further underground work is planned at the company's original Pickle Crow property when conditions improve.

The company has an authorized capital of four million shares of which 3,100,005 shares are reported outstanding. We have received no recent financial statement but believe that further work is contingent on carrying out of new financing.

Properties comprise 33 claims in the original group and 51 claims at July Falls on the Crow River.

Stadacona Mines

Would you please give me information on results achieved by Stadacona Mines (1944) over the last year or so? Has there been any appreciable change in production this year?

Stadacona Mines (1944) realized a profit of approximately $217,500 in 1948 after taxes but before depreciation. After all charges net profit was $99,896 or 2.3c a share. Working capital at beginning of this year was $362,354 including $90,354 of inventories.

Production has been on approximately the same scale in 1949 as in 1948 and there has been no very great change in the company's ore position. At the beginning of the year the company had approximately 3½ years' ore of which approximately 20% was tied up in pillars and was not immediately available.

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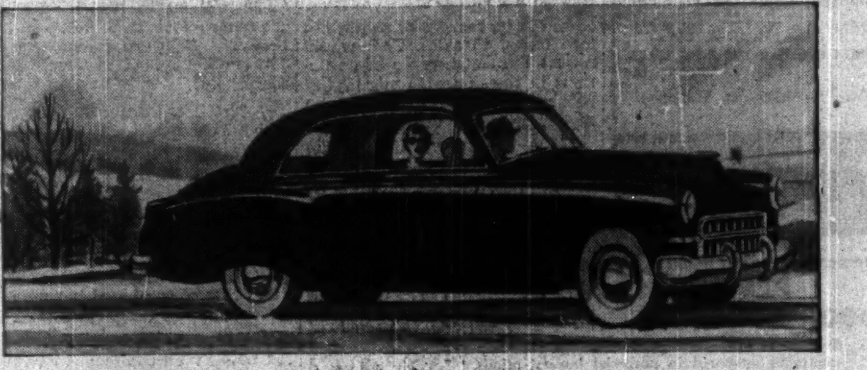
DISCOVERY YELLOWKNIFE MINES has received payment for Dec. 10 installment of 50,000 shares at 25 cents a share under agreement with Tidewater Securities. Issued capital is 4,608,550 shares, leaving 391,450 in treasury.

TOWN OF NEW LISKEARD, Ont., new issue of $140,000 3½% serial debentures due 1950-1964 have been sold by tender to Wood, Gundy & Co. and Royal Bank of Canada at a price of $99.69 which is a cost basis to the town of about 3.55%. The first seven maturities of this issue have been sold and it is understood that the 1957-64 maturities are being offered to yield 3.55%. Proceeds will be used principally toward the cost of waterworks and additional sewers.

MATACHEWAN CONSOLIDATED realized an estimated net profit before write-offs but after taxes of $55,799 in the three months ended Sept. 30, 1949, as against $58,744 in corresponding quarter of 1948. The main shaft has reached a depth of 2,300 ft. with levels established at 2,040 and 2,280 ft. Sinking is proceeding to 2,380 ft. in order to establish skip loading facilities. Lateral work will then be undertaken along the ore zone on the 2,280-ft. level.

For Safer Winter Driving



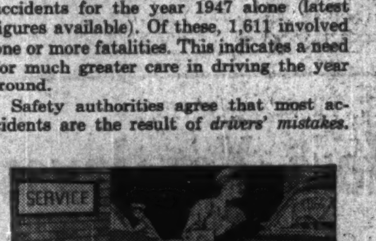
Driving in winter can be safe, convenient and enjoyable — but only if safety regulations and seasonable precautions are carefully observed.

The Dominion Bureau of Statistics reports a total of 74,738 motor vehicle accidents for the year 1947 alone (latest figures available). Of these, 1,611 involved one or more fatalities. This indicates a need for much greater care in driving the year 'round.

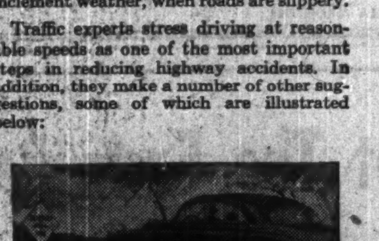
Safety authorities agree that most accidents are the result of *drivers' mistakes*.

By far the most important cause of accidents is the failure of drivers to adjust speed to changing road and traffic conditions. For example, a high percentage of fatal accidents happen at night, when vision is obscured, and many occur in inclement weather, when roads are slippery.

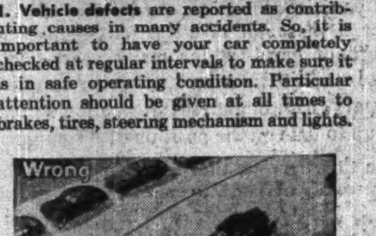
Traffic experts stress driving at reasonable speeds as one of the most important steps in reducing highway accidents. In addition, they make a number of other suggestions, some of which are illustrated below:



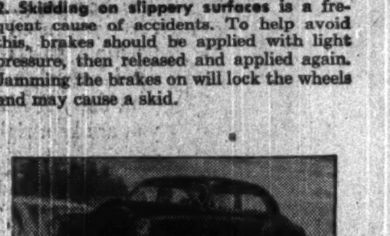
1. Vehicle defects are reported as contributing causes in many accidents. So, it is important to have your car completely checked at regular intervals to make sure it is in safe operating condition. Particular attention should be given at all times to brakes, tires, steering mechanism and lights.



2. Skidding on slippery surfaces is a frequent cause of accidents. To help avoid this, brakes should be applied with light pressure, then released and applied again. Jamming the brakes on will lock the wheels and may cause a skid.



3. Collisions frequently occur when cars are too close together. On dry pavements, a good rule is to allow one car length for every 10 miles of speed. This margin should be increased at night, on slippery roads, or at high speeds.



4. Emergencies need not always cause accidents if drivers know how to handle them. For example, when a tire blows out, keep a tight grip on the wheel and allow the car to slow down before applying the brakes. This makes it easier to prevent swerving or skidding.

The cardinal principle of safe driving is to keep one's car under control at all times. Only as more and more motorists observe this basic principle can the number of automobile accident fatalities be reduced.

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Canadian Head Office: Ottawa

How Industry's Profit Ratios Vary

Analysis by Type and Size and on Provincial Basis

Detailed information on the 1947 operation of Canadian industry becomes available with the publication of the Department of National Revenue's Taxation Statistics. Based on 1947 income tax returns, the details point up many highlights and trends of major significance to businessmen and investors.

BY JAMES H. JOYCE

The period covered is the 1947 taxation year, which embraces all company returns for the fiscal period ending between Jan. 1, 1947, and Dec. 31, 1947. Consequently, except where a company's fiscal year ends on Dec. 31, 1947, the data pertains partially to the 1946 calendar year and partially to the 1947 calendar year.

Among the significant points which analysts can extract from these statements are the indications that:

(1) Industry's return on its investment was 22.7% higher in 1947 than in 1946 and 27.9% better than in 1945. The return dropped in 1945 from its 1944 level.

(2) The margin of profit, before taxes, of Canadian companies was 3.1% higher than in 1946 and 8.9% higher than in 1945. It also had dropped in 1945 as compared with 1944. This would indicate that companies generally have been able to maintain and even slightly improve their profit margin while the larger percentage increase in return on equity would indicate the volume of business done was higher.

(3) Although 1947 was generally considered a good business year, 7,736 or 24.2% of the total of 31,990 companies covered in the publication reported a loss.

(4) All industrial groups showed a higher return on equity in 1947 than in 1946. This was apparently due to increased sales mainly because the profit margin was squeezed where prices could not be readily lifted and was actually lower for five of the groups — public utilities, wholesale trade, retail trade, service and finance.

(5) The highest return on invested capital in 1947 was shown in the retail trade and the wholesale trade industries; the lowest return was shown in the finance and public utilities groups.

(6) The biggest percentage increase in return on invested capital in 1947 was shown by the mining industry. This group also showed the largest percentage increase in its margin of profit, before taxes, to sales. This would reflect the stepping up of operations in the mines as more labor became available together with higher prices for the base metals.

(7) A breakdown of the companies by the size of their profits before taxes indicates that all but two groups showed higher return on equity, the two being the 3,756 companies with a current year's profit from $5,000 to $10,000 and the 2,335 companies with a 1947 profit of from $25,000 to $50,000.

(8) Firms with a taxable profit of $100,000 or under and those in the $250,000-$500,000 group show a lower margin of profit before taxes to sales in 1947 than in 1946; those with a profit of over $500,000 and those in the $100,000-$250,000 group show a higher margin of profit before taxes to sales in 1947 than in 1946.

(9) Firms with a taxable profit of $500,000 or under had a lower profit margin than the 9.72% average for the 24,254 companies reporting a profit in 1947; those above that figure have a higher profit margin than the average.

(10) Capital expenditures of 31,990 Canadian companies totaled nearly $1,005 millions in 1947 ($620 millions in 1946 for 28,222 companies and $305 millions in 1945 for 25,309 companies and $235 millions in 1944 for 23,283 companies).

Here Are Ratios of Profits (Before Taxes)

BY INDUSTRIAL DIVISION

Division	No. of Cos. 1947	1946	1945	1944	Earned* on Equity 1947 %	1946 %	1945 %	1944 %	Profit* to Sales 1947 %	1946 %	1945 %	1944 %
Agriculture, fishing, forestry	478	400	327	313	16.36	14.28	9.86	9.88	10.24	8.95	7.55	8.94
Mining	297	258	239	253	17.11	12.21	11.76	10.83	24.15	19.57	21.76	20.26
Manufacturing	7,251	6,773	6,248	5,862	23.85	19.56	17.95	19.71	11.15	10.37	8.73	9.41
Construction	1,016	802	653	584	26.90	19.91	16.45	20.74	17.28	14.38	11.19	9.03
Public utilities	1,203	1,087	1,038	1,015	7.68	7.08	8.17	8.29	14.00	15.33	17.86	18.01
Wholesale trade	3,966	3,437	2,965	2,750	28.08	25.78	21.74	20.31	4.36	4.42	3.91	4.14
Retail trade	4,753	4,326	3,846	3,526	29.52	26.40	22.99	22.18	6.22	6.77	6.49	6.47
Service	2,475	2,333	2,139	1,939	21.49	21.23	19.42	19.48	7.99	9.97	10.05	10.69
Finance	2,772	2,654	2,560	2,472	4.62	4.48	3.74	3.70	22.30	23.45	26.03	26.03
Total profit cos.	24,254	22,114	20,065	18,749	17.97	14.89	13.57	13.95	9.72	9.49	8.81	9.35
All companies	31,990	28,222	25,309	23,283	15.52	12.63	12.13	12.73	8.96	8.69	8.23	8.76

*NOTE: Based on taxable profit, before taxes.

BY SIZE OF COMPANY'S PROFIT

Profit	No. of Cos. 1947	1946	1945	1944	Earned* on Equity 1947 %	1946 %	1945 %	1944 %	Profit* to Sales 1947 %	1946 %	1945 %	1944 %
Under $5,000	9,997	9,457	9,410	8,900	5.24	4.85	2.01	3.94	2.09	2.34	2.62	2.59
5,000-10,000	3,756	3,510	3,338	2,993	10.49	12.33	11.85	9.50	4.08	4.27	4.22	3.97
10,000-15,000	2,156	1,965	1,547	1,357	13.76	13.16	11.22	11.80	4.93	5.26	4.74	5.03
15,000-20,000	1,449	1,321	937	855	17.98	16.86	10.76	11.22	5.31	5.53	5.56	5.42
20,000-25,000	926	834	682	585	16.69	14.60	12.47	11.84	5.98	6.01	5.12	5.69
25,000-50,000	2,335	1,978	1,588	1,481	16.46	17.02	12.88	13.50	6.53	6.68	6.16	6.89
50,000-100,000	1,503	1,306	1,105	1,090	17.21	13.96	10.56	14.37	7.45	7.64	6.87	8.33
100,000-250,000	1,132	968	811	812	18.58	16.29	16.60	14.02	9.14	8.97	9.60	9.98
250,000-500,000	517	380	345	338	20.24	18.05	17.46	17.72	9.53	11.43	10.86	10.68
500,000-1 million	236	203	191	177	21.13	17.19	16.03	15.74	10.97	10.18	9.30	10.37
1-5 millions	209	165	141	135	19.41	15.11	13.72	16.08	11.10	10.72	10.18	10.62
Over 5 millions	38	27	20	26	18.26	14.14	13.31	13.47	16.12	16.28	12.84	11.53
Total profit cos.	24,254	22,114	20,065	18,749	17.97	14.89	13.57	13.95	9.72	9.49	8.81	9.35

*NOTE: Based on taxable profit, before taxes.

ON A PROVINCIAL BASIS

Province	No. of Cos. 1947	1946	1945	1944	Earned* on Equity 1947 %	1946 %	1945 %	1944 %	Profit* to Sales 1947 %	1946 %	1945 %	1944 %
Prince Edward Island	155	140	141	139	3.45	3.70	3.55	3.06	14.41	13.49	13.01	16.31
Nova Scotia	916	878	831	783	15.04	12.07	13.58	12.37	7.72	6.73	7.26	7.49
New Brunswick	663	597	556	529	20.13	17.12	15.96	16.36	8.65	8.06	8.13	9.03
Quebec	6,425	5,681	6,034	4,518	14.58	12.03	11.48	12.06	9.71	9.90	9.15	9.49
Ontario	8,486	7,899	7,195	6,839	20.16	16.77	15.22	15.93	9.40	9.26	8.56	9.39
Manitoba	1,494	1,383	1,346	1,246	18.73	18.14	16.69	16.74	9.17	9.90	10.29	10.30
Saskatchewan	744	740	680	628	22.39	22.64	18.77	17.19	7.52	8.65	8.21	8.18
Alberta	1,375	1,248	1,140	1,094	17.16	15.80	14.19	13.70	7.26	8.52	8.34	8.11
British Columbia	3,996	3,548	3,142	2,973	25.25	19.97	15.23	12.86	12.96	10.46	9.70	9.14

NOTE: Provincial figures are unavoidably biased in favor of the central provinces, Ontario and Quebec, as many large companies which operate across Canada file their tax return in either of these two provinces. *Based on taxable profit before taxes and covers profit companies only.

Net Profit After Taxes

That the net profit after income taxes of Canadian companies was higher in 1947 than in 1946 is indicated by two factors:

(1) The higher rate of return on invested capital and

(2) The lower average effective rate of combined income in excess profits tax paid.

The effective rate of combined tax paid by all companies having a profit in 1947 was 37.0%, or 23% lower than the combined rate of 48.0% paid in 1946. The highest effective rate of combined tax in 1947 (42.9%) was paid by the 4,816 companies in the retail trade group; the lowest (30.2%) by the 3,041 companies in the finance group. Actual figures for the nine major industrial divisions are:

EFFECTIVE RATES OF COMBINED TAX

Division:	1947 %	1946 %	1945 %	1944 %
Retail trade	42.9	60.3	68.0	68.2
Wholesale trade	38.4	49.8	62.7	62.9
Manufacturing	37.2	47.9	57.5	59.5
Service	[illegible]	47.0	58.8	59.4
Farm, fishing, forest.	37.7	[illegible]	53.9	55.9
Public utilities	34.2	44.4	52.4	50.2
Construction	35.9	46.9	51.3	56.3
Mining	34.5	43.5	44.0	42.0
Finance	30.2	36.2	43.0	45.0
All companies	37.0	48.0	56.3	56.7

Note: No. of companies differs for each year.

A breakdown of the figures for the 31,990 Canadian firms would indicate that their profit before taxes averaged 15.52% return on the net worth of the firms (12.65% for the 28,222 companies reporting in 1946 and 12.13% for the 25,309 companies reporting in 1945). If only the 24,254 firms reporting a profit in 1947 are considered, the figures indicate that their profit before taxes averaged a 17.97% return on capital invested (14.89% for the 22,114 firms reporting in 1946 and 13.57% for the 20,065 firms reporting in 1945).

Return on Capital

A wide variation is shown in the return on capital when the figures for these companies are broken down by the major industrial divisions.

The highest rate of return is shown by the 4,753 firms in the retail trade group which show an average rate of return of 29.52% before taxes — nearly 6.4 times the comparable 4.62% return of the 2,772 finance firms which show the lowest rate of return on the list. The second highest return on equity, before income taxes, is shown by the 3,966 wholesale trade firms whose return is 28.08%.

The wholesale trade group and the retail trade group show the lowest margin of taxable profit to gross sales, however, which suggests that their profit depends to a large extent on a high volume of business. The highest margin of profit before taxes to gross sales is shown by the 297 mining companies whose margin is 24.15% — over 23% higher than their margin of 19.57% the year before. The finance companies show the second largest margin of profit to business done with a margin of 22.30%, their margin being slightly lower than in the previous year no doubt due to the pressure of higher operating costs.

Actual results for the major industrial divisions, with a comparison with the 1946, 1945 and 1944 figures, are shown in an accompanying table.

When the same companies are divided into groupings based on the size of their profit before taxes, the study shows that firms of all sizes except those with a profit of from $5,000 to $10,000 and those with a profit of from $25,000 to $50,000 show a larger return on the net worth than in 1946. The largest rate of return on equity is shown by the 236 companies with a taxable profit of from $500,000 to $1 million. These firms earn 21.13% on their net worth in 1947 — 23% better return than the 17.19% return for 1946.

The rate of return on equity for firms with a profit of over $1 million is lower than for this group and tends to decline the larger the net profit becomes, the study would indicate. The rate of return on equity for the 9,997 companies with a profit before taxes of under $5,000 in 1947 is only half that of the next highest grouping and only about a quarter the rate of return shown by the $500,000 to $1 million group.

By Income Groups

Another calculation shows that the larger the firm the higher the margin of profit before taxes in 1947. (Margin of profit is the profit expressed as a percentage of the gross sales or revenue.) The margin for firms with a profit of over $5 millions was 16.12% (slightly under 1946's margin of 16.28%). This compares with 9.14% for the 1,132 companies in the $100,000-$250,000 bracket and 2.09% for the firms with a profit before taxes of under $5,000. All the firms with a taxable profit of $100,000 or less and those in the $250,000-$500,000 brackets and those with a taxable profit of over $5 millions show a smaller margin of profit in 1947 than in 1946. The ratio of the profit before taxes in 1947 to sales average 9.72% for the 24,254 companies reporting a profit. This was 2.4% higher than the comparable figure of 9.49% for the 22,114 firms reporting in 1946.

The percentage of taxabl profit to equity and to gross sale. or revenue by income groups are shown on an accompanying table.

On a provincial basis, the largest return, before income taxes, on capital employed in the business is shown for British Columbia with a rate of 25.25% for 3,996 companies. Next highest comes Saskatchewan with a rate of 22.39% for its 744 firms. Smallest rate of return on equity on a provincial basis is shown by the 155 firms in Prince Edward Island whose rate of return is only 3.45%. These PEI firms, however, show the largest margin of profit, their margin being 14.41%. Next highest margin is shown by the British Columbia firms with a rate of 12.96%. Smallest margin of profit is shown by the 1,375 Alberta firms whose margin is 7.26%. Next smallest is the 744 Saskatchewan firms whose margin is 7.52%.

The report stresses that provincial figures are unavoidably biased in favor of Ontario and Quebec as a result of many companies which operate across all Canada filing in either of these two provinces. The provincial figures are compiled by assigning all taxes, income and balance sheet items of a given company to the province in which the company's tax return is filed.

The results, broken down provincially with figures from the 1946, 1945 and 1944 reports, are shown on an accompanying table.

The combined balance sheets of all the 31,990 Canadian companies reveal that the total assets employed in their business in 1947 was over $22,439 millions. The net equity of investors in these firms provided $10,602 millions or 47.3% of the total. Bondholders provided over $2,696 millions or nearly another 12% of the total.

These 31,990 companies spent a total of nearly $1,005 millions on capital expenditures in 1947. Of these the 24,254 companies reporting a profit spent $897 millions and the 7,736 companies reporting a loss $108 millions. The 7,251 manufacturing firms with capital expenditures of $417.2 millions accounted for 41.7% of the total capital expenditures. Next were the 1,203 public utilities companies whose capital expenditures total $274.4 millions or 27.4% of the total.

The report gives consolidated balance sheet figures together with a summary of selected revenues and charges including depreciation and depletion; shows the breakdown by provinces, by industrial classes and by income classes. Signed by V. W. Scully, Deputy Minister of National Revenue for Taxation and Mark F. Sprott, Director of Economics and Statistics, Taxation Division, Department of National Revenue, "Taxation Statistics" is available from the King's Printer for 50c.

G. TAMBLYN LTD. has declared a dividend of 45c a common share, payable along with the regular quarterly dividend of 25c a share, on Jan. 3, 1950, to holders of record Dec. 9. Extra payments in 1949 total 80c a share including 45c in January and 5c in each of the succeeding quarters.

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Surplus

Dom. Govt. Deposit

Write for Financial Statement

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How Increase Value of Big Winter Fairs?

The Question: What would add to interest and community value of our major winter fairs?

Citing the Grey Cup football classic as an example of how interest and friendliness can be developed in all parts of Canada, one correspondent answering this week's Financial Post question urges a similar approach in conducting winter fairs.

Railway excursion rates; more emphasis on mass attractions, including industrial, scientific arts and other exhibits to stimulate interest in culture as well as in calves; more spectacular displays of meats, vegetables and dairy products; inter-provincial competitions and pageants are also viewed as a means of inducing a more general buying public to visit the fairs.

As for the horse shows, mainstay of raising funds for the prize lists, some correspondents think these should be curtailed while others want a more varied program such as the six-horse teams and gymkhana put over in a big way at Toronto's recent Royal Winter Fair.

D. B. BEATTY, Advertising Manager, Beatty, Fergus, Ont.

Winter fairs are among the most important show windows of the agricultural industry and it would seem to us that it is important to get more urban dwellers out to see the show windows, particularly during the afternoons.

Would it be possible to stage more spectacular displays of meats, vegetables and dairy products that would bring city dwellers in and, as well, carry on large-scale demonstrations to show the household buyer what to look for and how to buy most economically, and at the same time an opportunity would be provided to demonstrate the excellence of Canadian products? This would help to bring the city dweller to a realization of how important the farmer is in the economic picture.

• • •

D. C. BENNETT, Vice-President, F. P. Weaver Coal Co., Montreal.

If not already included in the activities, it would be a good thing to interest children of school age by special afternoon shows at reduced admission rates. I presume special attention is also given to interest the Boards of Trade of other cities, Chambers of Commerce in small towns and Service Clubs. It might also encourage the showing of stock, etc., by small groups, which might not be at present classified as important or influential. I also notice a dearth of information and advertising of the Royal Winter Fair in Montreal and other Quebec cities.

• • •

O. R. EVANS, Farm Editor, Family Herald & Weekly Star, Montreal.

The basic need of all our fairs, if they are to justify requests for further grants, is to provide more education for the visiting public. If there is not enough room to house at one time all the livestock which might enter, judging of breeds may be staggered, but the champions of each breed should be kept on display so that the urban public and ordinary farmers can get the right types in their minds.

Instead of striving for more entries, thus needing bigger and bigger accommodation, greater variety would help. For instance, the Maritime Winter Fair should have a fruit show, and the Sherbrooke Winter Fair needs refrigeration in order to help farmers understand the relation between live animals and their dressed equivalent. Horse shows are necessary to provide funds for the prize list, but the recent Royal Winter Fair has shown that a good mixture of practical classes, such as six-horse teams, mixed with the gymkhana events do provide entertainment, and such variety should be encouraged.

• • •

J. H. EVANS, Retired Deputy Minister of Agriculture, Winnipeg.

Winter fair programs are a mixture of education and entertainment with the latter predominating. Educational efforts are greatly handicapped in informing patrons the reasons for placings in competitions. Dressed carcass competitions offer a field for comments on exhibit values and of immediate interest to consumers. Winter fair classes, cattle, sheep and swine are largely commercial.

Too little is being done to advertise and explain why well-bred and finished carcasses supply more nutritious food. Livestock breeders need a show window for their products and the blinds lifted up. Let us have the why and wherefore of placings.

• • •

W. W. JOHNSON, General Manager, J. H. Connor & Sons, Ltd., Ottawa.

Major winter fairs at present time appear to appeal chiefly to agricultural and high-wage bracket which is not in the end bracket in which the average manufacturer or merchant is chiefly interested. Appeals should be increased for the middle and lower class who would go to see rather than be seen. Commercial exhibits might help attract more of general buying public but primarily the need appears to be for more entertainment such as name bands and high-class entertainment which could be sandwiched in between winter fair attractions to make the appeal more general.

• • •

RICHARD MARTLAND, Director of Industrial Development & Economic Research, Alberta Government, Edmonton.

Our Winter fairs are devoted almost entirely to agriculture. They should be broadened to include other activities to create a greater interest and community value among Canadians.

I suggest inter-provincial elimination competitions in cultural activities, agriculture, handicrafts, skating championships, etc., with winners competing at national fairs. I suggest better prizes. Fairs should feature provincial days in which pageants are staged by provinces. Our new Canadians are molding new customs into the Canadian life. These customs are useful, colorful and should be displayed. We want the opportunity to tell the world about Alberta and also learn more about the rest of Canada.

• • •

MORTON M. MILLER, Secretary, Searle Grain Company, Winnipeg.

I consider Toronto Winter Fair has definitely improved in recent years, and I believe such improvement will quietly continue. Attractive excursion arrangements would bring more people from the West. I consider grain exhibits should be one bushel, should come from minimum field of 10 acres and of varieties only in fairly common use by farmers so as to represent actual agricultural practice.

• • •

EDGAR P. SMITH, Mayor, Sackville, N.B.

Winter fairs as now conducted in Maritimes are predominantly rural in their attractions. They also afford city and town folk opportunities to get "back to nature" and all possible means should be used to bridge the gap between rural and urban interests.

I feel excellent chance exists for winter fairs to promote principles of "community planning" as it affects town and country, by sand table models, maps, displays, plus featuring round-table radio forum as part of arena program. Local art associations and libraries could have effective displays to stimulate interest in culture as well as in calves. Winter fairs can play great part in awakening and broadening our interests.

• • •

LEE TRENHOLME, Director, Public Relations, Provincial Paper Ltd., Toronto.

While the basic agricultural tone of winter fairs should probably be preserved, it seems to me that a widening of their appeal would raise their value to the community. Could industrial, scientific, arts and other exhibits and competitions not be added without impairing the fairs' fundamental character? Less emphasis on the class atmosphere of horse shows and more emphasis on mass attractions should also prove better box-office. So should more reasonable parking fees and the inclusion in the general admission charge of admittance to all activities and features.

• • •

PALMER WRIGHT, Secretary, Ontario Jockey Club, Toronto.

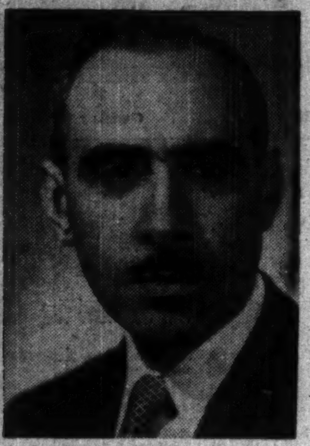
As the public reaction to the Royal Winter Fair just passed was demonstrated by capacity attendance on each of the eight days and nights and as the executive and management are composed of competent men who bend all their efforts toward improving the fair both from an educational and entertainment point of view, I feel that any criticism from me would be something approaching impertinence. I regret that I have had very little experience with other winter fairs.

• • •

GUY WEADICK, Originator & many years director of the Calgary Stampede. Now Rancher, Longview, Alta.

Interest and community value could be added to major winter fairs, if present top offerings included some new and novel displays, exhibits and competitions, obtained from various parts of Canada, all such being costumed in accordance with that typical of the district it represents. These features could be from the cultural, agricultural and commercial fields. They would prove interesting to people from different sections of the country as well as create a wider understanding, interest and friendliness between all parts of Canada. The efforts along such lines as displayed by the football fraternity testify loudly as to what could be done in a big way.

MR. SAVOIE



MR. DAVID

Dominion Stores announce the appointment of Mr. Alfred Savoie as District Manager for Montreal and the Province of Quebec.

Mr. Albert David becomes assistant to Mr. Savoie.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

MARCUS LOEW'S THEATRES, LTD. net profit for year ended Aug. 31, 1949, was $115,171, increase of 9.9% from $104,755 in previous year.

INCOME ACCOUNT

Periods Ended:	Aug. 31 1949	Aug. 25 1948
Net earnings	$266,028	$276,170
Less: Depreciation	18,857	29,852
G'will, etc., w/o	41,000	41,000
Tax reserve	91,000	100,568
Net profit	115,171	104,755
Less: Com. divds.	30,000	30,000
Surplus for year	85,171	74,755
Earnings per Share and Dividend Record:		
Common	$15.36	$13.97
Paid	4.00	4.00

CONDENSED BALANCE SHEET

As at:	Aug. 31 1949	Aug. 25 1948
Cash	$202,678	$386,059
Accts. rec.	10,645	2,187
Dom. bds.	353,114	......
Total curr. assets	566,438	388,246
Misc. assets♠	29,666	51,137
Goodwill, etc.	545,000	586,000
Fixed assets*	739,773	757,396
Total assets	1,880,873	1,782,779
Total curr. liab.	96,943	84,020
Pref. red. res.	653,900	653,900
Capital stock	750,000	750,000
Surplus	380,020	294,859
*After depr. of	1,193,496	1,140,953
♠Incl. ref. EPT	17,971	28,937
Working capital	469,491	301,226

INTERNATIONAL MILLING CO. net profit for year ended Aug. 31, 1949 was $2,296,230 (including $210,000 transfer from tax contingency reserve), off 51.1% from $4,696,906 in previous year. Gross fixed assets increased by $1,134,165 during the year.

The company owns the entire issued preferred nonvoting redeemable and common stock of Robin Hood Flour Mills and 34,622 shares of the 268,232 shares of second preferred stock outstanding at Aug. 31, 1949. Robin Hood Flour Mills in turn owns capital stock representing slightly more than 60% of the voting rights of Terminal Dock & Warehouse Co.

CONSOL. INCOME ACCOUNT

Years Ended Aug. 31:	1949	1948
Net profit	♠$2,296,230	†$4,696,906
Less dividends:		
4% pref.	195,404	192,779
Common	929,248	1,184,103
Surplus for year	1,171,578	3,320,024

♠Incl. $210,000 trans. from tax reserve.

†Net profit for 1948 was approx. $400,000 greater due to a change during the year in basis of computing reserve.

Earnings per Shares and Dividend Record:	1949	1948
4% pref.	$47.00	$96.15
Paid	4.00	4.00
Common†	2.25	4.42
Paid‡	4.00	4.50

†After (‡before) giving effect to 4-for-1 common split in Jan., 1949.

■Based on shares held by public.

CONDENSED CONS. BALANCE SHEET

As at Aug. 31:	1949	1948
Cash & govt. bonds	$4,365,192	$4,904,872
Accts., etc., rec.	12,995,596	14,559,331
U. S. ref. EPT	514,920	350,634
Inventories	29,252,897	31,543,575
Total curr. assets	47,128,605	51,358,412
Prep. exp.§	482,690	579,046
Invest. in subsids.*	1,757,922	1,867,485
Misc. assets♠	748,065	874,303
Fixed assets†	15,237,726	14,499,597
Total assets	65,355,008	69,178,843
Notes payable	13,550,000	16,696,213
Accts. & tax pay.	8,245,152	11,096,049
Other curr. liab.	595,388	61,601
Total curr. liab.	22,390,540	27,853,863
Funded debt	11,400,000	8,000,000
Cont. & other res.	761,100	965,100
Min. int. in sub.	......	6,254
Subsid. 2nd pf. stk.	2,336	2,548
Capital stock	7,221,500	7,322,100
Surplus‡	23,579,532	25,028,978
†After depr. of	11,839,636	11,443,600

*Not consolidated. ♠Including refund. EPT of $39,656 in 1949, $54,064 in 1948. (Candn. only, U. S. shown in current assets).

‡After deducting $3,352,264 in 1949, $1,281,067 in 1948, cost of stock held in treasury.

§Incl. in curr. assets in co's report.

	1949	1948
Working capital	24,738,065	23,504,549

NATIONAL SEWER PIPE CO. net profit for the year ended Oct. 31, 1949, was up 63.2%. Volume of production and sales increased over previous year. The backlog of orders is diminishing and management hopes soon to be able to take care of customers' requirements in a more satisfactory manner, the annual report states.

Directors decided against a distribution of dividend arrears at this time.

INCOME ACCOUNT

Years Ended Oct. 31:	1949	1948
Oper. profit	$286,579	$179,471
Add: Other rev.	13,547	7,054
Less: Taxes	123,000	78,000
Net profit	177,126	108,525
Less: Cl. A divds.	33,312	......
Surplus for year	143,814	108,525
Earnings per Share and Dividend Record:		
Cl. A: Earned	$6.38	$3.91
Paid	1.20	......
Common: Earned	2.08	0.79
None paid.		

CONDENSED BALANCE SHEET

As at:	Oct. 31 1949	Oct. 30 1948
Cash	$462,929	$1,340,763
Invests., cost‡	1,207,587	82,300
Accts. rec.	148,688	117,820
Inventories	94,676	93,624
Total curr. assets	1,913,880	1,634,507
Def. chgs.	1,067	1,935
Inv & adv. assoc. co.	221,500	223,008
Fixed assets†	408,151	473,182
Total assets	2,544,598	2,332,632
Total curr. liab.	259,585	182,060
Capital stock	1,802,474	1,802,474
Capital surplus	330,620	330,620
Earned surplus	151,919	17,478
‡Mkt. value	1,213,783	84,770
†After depr. of	1,599,996	1,523,653
Working capital	1,654,295	1,452,447

Property Purchased For Beverage Plant

Kop Beverages Ltd. has purchased property on Curity Ave., East York township, on the oustkirts of Toronto on which it plans to build a modern beverage plant, capacity 500,000 cases of carbonated beverages annually. It is expected construction will get under way early in the New Year.

The company proposes to maintain its own fleet of trucks to service the Toronto area and to allot franchises to bottlers and territorial distributors in other areas throughout Canada.

INDEPENDENT AND EXPERIENCED CONSULTANTS

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The problem of employees' pension and insurance plans is becoming increasingly important. Employers interested in the subject are invited to write our nearest office for a copy of our 28-page booklet, "Operation Over-Age."

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New $3,400,000 grandstand of the Canadian National Exhibition, Toronto, the steelwork for which was fabricated and erected well on schedule by the Men of Canadian Bridge.

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Amazed, grateful secretaries discover hours in the day they never knew existed. Hours that used to be spent chained to the boss' desk. Hours that were crammed with shorthand. Hours formerly reserved for person-to-person dictation!

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THE WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING NOVEMBER 25

Range 1949 High	Low	Div Rate $	Nov 25 Yield %	Company	Sales	Last Nov. 18	Week end. Nov. 25 H	L	Cl'se
23¾	9½	●1.00+●.50		Abitibi	14085	23½	23½	22½	22½
23¼	16	1.50	6.6	Do. $1.50 pf.	30975	22½	23¼	22½	22½
25	19½	1.00+●1.15		Acadia At. A	520	24	24½	24	24½
104	98½	5.00	4.8	Do. 5% pref.	45	103½	103½	103	103½
9½	7½	.60	6.9	Agnew Surp.	400	8½	8½	8½	8½
14½	12			Algoma Steel	6290	14¼	14¼	13½	13½
26½	25	1.00	3.8	Alum. of Can P	875	26½	26½	26½	26½
61½	40½	●2.00		Aluminium N	2380	57	58½	57	58
7½	4½	●a.40		Andian Nat.	200	5	5	5	5
48½	43½	2.25	4.7	Ang. Can. Tel. p	60	48½	47½	47½	47½
18	14	●1.90		Ang. Nfld.	1000	16½	16½	16½	16½
7½	5½	.60	8.3	Argus	905	7½	7½	7½	7½
78	61	4.50	5.8	Do. 4½% pf.	27	78	78	77	77
.35	.10			Do. Warr.	133	.25	.20	.20	.20
26½	20	1.20+●.40		Asbestos	1414	25	26½	25	25
13½	10½	.60	4.4	Ashdown Hdwe	105	13½	13½	13½	13½
12½	7½	●.75		Atlas Steels	4190	8	8	7½	7½
8	6½	.50	6.3	Auto Elec. A	75	8	8	8	8
21	19½	.80	3.9	Bk. Can. Nat.	220	20½	20½	20½	20½
28½	25	.80+†.20		Bk. Montreal	2055	28	28½	27½	28
39	34	1.20+†.30		Bk. N. Scotia	891	39	39	38½	38½
40	35	1.20+●.20		Bk. Toronto	140	38	38	38	38
2.00	1.45			Barcelona	55	1.60	1.50	1.45	1.45
16	13½	1.00	7.6	Bates & InnesA	15	14½	13½	13½	13½
23½	17½	1.50+●1.12½		Bathurst PrA	2311	22½	23½	21½	23
6½	3	●.25		Do. (B)	300	6	6	5½	5½
14½	12	6.00	7.1	Beatty Bros.	520	14½	14½	14½	14½

Range 1949 High	Low	Div Rate $	Nov 25 Yield %	Company	Sales	Last Nov. 18	Week end. Nov. 25 H	L	Cl'se
2.75	1.55			Gen. Bakeries	200	2.75	2.50	2.37½	2.37½
25½	16½	1.00	4.0	Gen. Prod. A	250	25	25½	25	25
17½	13	.80+●.20		Gen. St. Wares	182	16½	17½	16½	17½
106	90½	5.00	4.8	Do. pref.	15	104½	104	104	104
103	80	●3.00		Goodyear Tires	50	83	85	85	85
53½	50½	2.00	3.8	Do. pref.	100	53½	53	52½	53
10½	9½	.50	4.8	Gor. MacKay A	1525	10½	10½	10½	10½
16	9½	●.90		Gt. Lakes Pap.	6285	13½	14½	14	14
40	34	2.50	6.3	Do. A pref.	484	38	40	38	40
25½	15½	●1.25		Gt. West Coal	25	21½	21	21	21
129	126	5.00	4.0	Guaranty Trust	6	126	126	126	126
18	14	1.00+●.25		Gypsum, Lime	3035	17½	18	17½	18
13	8			Halifax Insur.	138	12½	12½	12½	12½
12½	7	.50+●.25		Ham. Bridge	482	11½	11½	11	11
14½	12½	.90	7.2	Ham. Cot.	5	12½	12½	12½	12½
12	9	.80+●.10		Harding Carpet	260	10	10	9½	10
33	20	●1.00		Hayes Steel	295	30½	31	30	30
16½	14	1.00	6.1	Hinde & Dauch	25	16½	16½	16½	16½
8	7	.50	6.5	Horner, FW. pf	60	7½	7½	7½	7½
36	27	2.00	5.7	H. Smith Pap.	2260	34	36	34½	35
49½	42	2.00	4.0	Do. pref.	349	46½	49½	48½	49½
9½	6½	●.20		Hunts A	215	8½	9½	8½	9½
117	110	5%	4.3	Huron & E. Mt.	317	116	117	117	117
3½	2½	●.28		Hydro Electric	800	3½	3½	3½	3½
32½	27½	1.20	3.8	Imperial Bk.	425	32	32	30	31½
24	18½	.50	2.2	Imperial Oil	30673	23½	23½	22½	22½
15	13½	.50+●.20		Imperial Tob.	2161	15	15	14½	14½
26½	24½	1.00	3.8	Do. 4% pref.	545	26	26½	26	26½

Range 1949 High	Low	Div Rate $	Nov 25 Yield %	Company	Sales	Last Nov. 18	Week end. Nov. 25 H	L	Cl'se
100½	90½	4.50	4.5	Do. 4½% pref.	280	100½	100½	100	100½
11.50	8.75			Willson Stat.	150	10½	11	11	11
38	27	●1.40		Winnipeg Elec.	1750	37½	37½	36	36
7½	6½	.40	6.3	York Knit. A	95	6½	6½	6½	6½
3½	1½			Do. (B)	240	2½	2½	2½	2½
54½	39	2.00	3.9	Zellers	940	53	52	51½	51½
29½	27½	1.50	5.0	Do. 6% pref.	25	29	29½	29½	29½

*On arrears. ●N. Y. funds. *Net after income taxes. ●Dividend deferred. ●●Participating div. ♦After stock split. ●Paid or payable in 1949. ‡Plus extras. ‡Plus payments on arrears. †Payable in 1950. ●Paid in 1948.

Mining Stocks

Week Ended November 25

Range 1949 High	Low	Div. Rate $	Nov. 25 Yield %	Company	Sales	Last Nov. 18	Week Ending Nov. 25 High	Low	Close
.85	.55			Akaitcho	3,000	.70	.70	.70	.70
.27	.12			Amal. Lard.	13,400	.18	.20½	.19	.19
.65	.25			Amer. Neph.	13,200	.58	.63	.60	.63½
.20	.08½			Amer. Y.K.	20,334	.10	.10½	.08½	.08½

[illegible]

Oil Stocks

[illegible]

.30	.18			Vanalta	3,050	.23	.23	.22½	.23
.20	.02½			Warner	400	.04½	.02½	.02½	.02½

* N. Y. funds. ● Extra. * Paid or payable in 1949. § Paid in 1948. ‡ Capital Distribution. † Payable in 1950.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Nov. 28	235,600	739,000	107,026	......	1,420,000
Nov. 26	58,600	305,000	20,850	......	530,000
Nov. 25	174,100	694,000	71,234	64,280	1,600,000
Nov. 24	169,500	692,000	47,520	34,813	....
Nov. 23	220,800	1,055,000	130,316	75,807	1,820,000
Nov. 22	194,800	802,000	99,095	83,017	1,720,000

BUSINESS BAROMETER

	NOV.	OCT.	SEPT.	AUG.	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dom. total expend.	....	175.6	189.4	147.1	151.2
Dom. total rev.	....	201.7	174.0	187.8	215.5
MERCHANDISING					
●Dept. stores sales (3)	+1	+1	+8	+6	....
Country store sales (3)	....	....	—2.8	+0.7	....
Retail store sales (3)	....	....	+7.2	+7.5	....
Wholesale sales index (1)	....	....	333.2	318.1	327.0
FINANCE					
Dividend payment index (1) (5)	215.4	215.3	213.2	212.7	203.6
Money supply (millions $)	....	....	4,369	4,188	4,153
NEWSPRINT CAPACITY					
Production ratio (7)	....	100.9	100.4	99.7	106.0
RAILWAY FREIGHT LOADINGS					
●Tons (D.B.S.) (1)	....	149.9	164.7	223.4	162.5
●Cars (D.B.S.) (1)	....	140.3	144.5	156.4	147.2
COST OF LIVING					
D.B.S. (1)	....	162.2	162.3	162.8	159.6
EMPLOYMENT INDEX					
●All industries (6)	....	202.0	202.1	199.7	203.3
Payrolls (June 1/41=100) (2)	....	....	220.2	217.8	208.6
MANUFACTURING					
●Inventories (1947=100)	....	....	130.3	130.2	126.7
●Employment (6)	....	208.5	209.7	208.4	210.0

	1949	1948	1949 Jan. 1 to date	1948 Jan. 1 to date	% Change
RAILWAYS—(000's omitted)					
●Carloadings (week Nov. 19)	82.9	87.0	3,488.3	3,610.3	—3.4
●C.N.R. gross rev. (Oct.)	45,349	46,890	410,893	401,438	+2.4
●C.N.R. net rev. (Oct.)	5,064	5,634	11,452	13,460	—14.9
●C.P.R. gross rev. (Oct.)	33,232	34,453	300,968	290,040	+3.8
●C.P.R. net rev. (Oct.)	4,500	5,672	13,002	11,484	+13.2
IRON AND STEEL PRODUCTION (000's omitted) (Sept.)					
Pig iron production (tons)	168	183	1,659	1,593	+4.1
Steel production (tons)	241	258	2,404	2,361	+1.8
CONSTRUCTION (000's omitted)					
Contracts awarded (Oct.)	89,307	70,821	901,387	815,058	+10.6
Cement prod., bbls. (Sept.)	1,420	1,238	11,952	10,298	+16.1
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Sept.)	1,857	1,192	14,479	16,747	—13.5
Flour exp., bbls. (Oct.)	744	1,300	8,123	10,242	—20.7
Wheat exp., bush. (Oct.)	18,556	18,062	169,178	106,258	+59.2
Cattle sales (Oct. (4)	231.1	228.4	1,457.0	1,503.5	—3.1
Hog sales (Oct.)	423.6	328.9	3,290.3	3,924.8	—16.2
SEA FISHERIES (000,000's omitted)					
Catch, lb. (Sept.)	121.5	108.0	865.7	931.3	—7.0
Landed value (Sept.)	6.5	6.8	43.2	47.3	—8.7
NEWSPRINT (000's omitted)					
Production (Oct.) (7)	438	435	4,325	4,100	+4.7
Exports tons (Oct.) (7)	405	392	3,992	3,831	+4.2
MINING AND OILS (000 omitted)					
Coal prod. (tons) (Oct.)	1,900	1,811	15,035	14,717	+2.2
Gold prod. (fine oz.) (Aug.)	359	305	2,648	2,289	+15.7
●Petroleum prod. (bbl.) (Aug.)	1,971	1,245	13,550	7,549	+79.6
ELECTRICAL POWER OUTPUT (000,000 omitted) (Sept.)					
Total monthly kwh.	3,753	3,598	34,744	33,466	+3.8
FOREIGN TRADE (million of $)					
Imports (Sept.)	221.6	221.7	2,073.9	1,923.3	+7.8
●Exports (Oct.)	269.1	307.0	2,415.1	2,465.1	—2.0
FINANCE (millions of $)					
Bank debits (Sept.)	7,652	6,710	62,287	57,212	+8.9
Bond sales (Oct.)	554.4	768.9	3,892.0	4,372.7	—11.0
●Life insurance sales (Oct.)	108.5	100.9	1,023.6	974.1	+5.3
OTHER INDUSTRIAL FACTORS					
●Shoe prod. (Sept.) (000)	3,377	2,811	27,345	22,709	+16.2
Cigarette cons. (000,000) (Oct.)	1,448	1,429	19,333	17,849	+8.3

(1) Base period 1935-39=100.
(2) All industries.
(3) % change from year ago, latest week or monthly average.
(4) Total at yards and plants.
(5) Nesbitt Thomson, etc.
(6) Base period 1926=100.
(7) Includes Newfoundland.
●New item for week.

Record of Financing

Sales by Municipalities, Provincial and Dominion Government. Offerings of Corporations and Foreign Securities

PROVINCIAL

Province of Ontario—3% debentures, due Dec. 15, 1970, $40,000,000, dated Dec. 15, 1949. Sold at $100 and accrued interest to Wood, Gundy & Co. Ltd., McLeod, Young, Weir & Co. Ltd., Dominion Securities Corpn., Ltd., Bell, Gouinlock & Co. Ltd., A. E. Ames & Co. Ltd., Mills, Spence & Co., Ltd., Royal Securities Corporation Ltd., Midland Securities Ltd., McTaggart, Hannaford, Birks & Gordon Ltd., Cochran, Murray & Co. Ltd., Harrison & Co. Ltd., Fry & Co., Matthews & Co., Collier, Norris & Quinlan Ltd., R. A. Daly Co., Ltd., Gairdner & Co. Ltd., W. C. Pitfield & Co. Ltd., Burns Bros. & Denton Ltd., W. C. Harris & Co. Ltd., James Richardson & Sons, Fairclough & Co. Ltd., Anderson & Co., Bankers Bond Corporation Ltd., Bartlett, Cayley & Co. Ltd., Brawley, Cathers & Co., J. L. Graham & Co. Ltd., Charles H. Burgess & Co., Flemming & Co. and Ramsa Securities Co. Ltd.

MUNICIPAL

City of Edmonton, Alta.—3%, 3½% and 3¾% noncallable debentures, due Dec. 1, 1950-79, $3,800,000, dated Dec. 1, 1949. Sold at $100-$101 plus accrued interest to, Bell, Gouinlock & Co., Ltd., Royal Securities Corp. Ltd., Mills, Spence & Co. Ltd., James Richard & Sons, McLeod, Young, Weir & Co. Ltd., Anderson & Co., Midland Securities Ltd., W. C. Pitfield & Co. Ltd. and Harrison & Co. Ltd.

City of Kimberley, B.C.—3¾% debentures, due Sept. 1, 1950-64-69, $105,000, issued Nov. 10, 1949. Sold at $101.90 to McMahon & Burns.

St. Therese West, Que.—3% debentures, due Oct. 1, 1950-58, $17,000, issued Nov. 10, 1949. Sold at $99.22 to Morgan, Kempf & Robertson Ltd.

Parish of Rosemere, Que.—3½% debentures, due Nov. 1, 1950-64, $18,200, issued Nov. 14, 1949. Sold at $98.53 to Rene T. Leclerc Inc.

School Commission of St. Maurice-de-Bois-Filion, Que. — 3% and 3½% debentures, due Nov. 1, 1950-55-69, $100,000, issued Nov. 14, 1949. Sold at $98.53 to Rene T. Leclerc Inc.

City of Trois Rivieres, Que. 3% and 3¼% debentures, due May 1, 1950-59-64, $134,000, issued Nov. 14, 1949. Sold at $99.60 to Casgrain & Co. Ltd.

Town of New Liskeard, Ont. — 3½% debentures, due Dec. 1, 1950-64, $140,000, issued Nov. 15, 1949. Sold at $99.69 to Wood, Gundy & Co. Ltd. and Royal Bank.

City of Owen Sound, Ont.—2¾%, 3% and 3¼% debentures, due Dec. 1, 1950-59-69, $249,500, issued Nov. 15, 1949. Sold at $100.769 to Wood, Gundy & Co. Ltd. and Imperial Bank.

Township of Trafalgar, Ont.—3% and 3¼% debentures, due Dec. 1, 1950-59-69, $229,653.60, issued Nov. 15, 1949. Sold at $99.423 to Gairdner & Co. Ltd.

Village of Chambly Canton, Que.—3% debentures, due Nov. 15, 1950-69, $40,000, issued Nov. 16, 1949. Sold at $97.17 to L. G. Beaubien & Co. Ltd.

City of Grand Forks, B.C.—4% debentures, due July 15, 1950-63, $35,000, issued Nov. 16, 1949. Sold privately to McMahon & Burns.

City of Rossland, B.C.—3½% debentures, due Sept. 1, 1950-68, $132,000, issued Nov. 16, 1949. Sold privately to McMahon & Burns.

City of Cap-de-la-Madeleine, Que.—3% and 3¼% serial debentures, due 1950-59, $315,000, issued Nov. 28, 1949. Sold at $97.68, cost basis 3.445% to O'Brien & Williams.

CORPORATE

Universal Cooler Company — 5% and 5½% first mortgage serial bonds and general mortgage sinking fund bonds, due 1950-59-69, $525,000, issued Nov. 18, 1949. Offered at par, carrying a bonus of 20 common shares (no par value) with each $1,000 bond, by Harrison & Co. Ltd.

Imperial Oil Limited — 2½% and 3% serial sinking fund debentures, due Dec. 15, 1952-55-69, $50,000,000, dated Dec. 15, 1949. Sold at $98.15 and accrued interest to Dominion Securities Corp. Ltd.

PREFERRED

Marven's Limited — 40,500 Class "A" cumulative noncallable participating shares (no par value). Sold at $10.75 per share to Eastern Securities Co. Ltd.

Universal Cooler Company—$150,000, 6% cumulative participating redeemable preference shares (par value $100). Offered at $100 plus accrued dividend to yield 6.00%, carrying a bonus of 3 common shares (no par value) per $100 preference share, by Harrison & Co. Ltd.

Stocks Not Traded This Week (Continued)

Mining Stocks

[illegible]

STOCKS NOT TRADED THIS WEEK

	Div. Rate $	Last sale	Nov. 25 Bid	Ask
Kelvinator	3.00	31½	22	32½
Langleys	..	1.25	1.40	1.80
Do. pref.	●1.00	52	48	54
Lawson & Jones B	..	10½	10½	10½
Legare pref.	*●2.00	22	22	..
Levy Bros.	§.10	4½	5	..
Lindsay, C. W.	..	15	10	15
Do. pref.	●4.00	115	112	..
Loew's Theatres	4.00	70	70	..
London Can. Inv.	*5.00	70	69	..
Mackin Steel pref.	5.00	90	90	..
Maritime Tele. pf.	.70	18½	18½	..
McCabe Grain A	.80	10	8½	9½
Do. B	.40	7	7	10
Melchers	..	5.00	1.50	5.00
Mexican Lt. pref.	..	5	..	..
Mitchell, J. S.	4.00+●.25	100	100	..
Mod. Contain.	●1.00	13½	13½	14½
Do. A	1.00	16½	15½	16

[illegible]

Government Bonds

Nov. 29, 1949 (Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	June 1951 ..	‡101½	102
3	Mar. 1954 ..	‡103½	103¾
3	Nov. 1956 ..	‡103½	103¾
3	May 1957 ...	103¼	103¾
3	Jan. 1959 ...	103¼	103½
3	June 1960 ...	103¼	103½
3	Feb. 1962 ...	102½	103
1½	Nov. 1950 ...	100¼	100½
3	Oct. 1963 ...	102½	103
3	Sept. 1966 ...	103¼	103½
Dom. of Canada Bonds:			
3	June 1958 ...	102½	102¾
3¼	Feb. 1962 ...	103	103½
3	June 1955 ...	100½	101
3¼	June 1966 ...	103¾	104¼
3	Perpetual ..	†103¾	103½
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959 ...	101½	102¼
4½	Feb. 1956 ..	▪123¼	125
4½	July 1957 ..	‡125¾	127½
5	Feb. 1954 ...	110	111
4½	June 1955 ..	▪123½	125
2¾	Jan. 1967 ...	99½	100½
2¾	Sept. 1969 ...	100	101
3	Jan. 1966 ...	102	103
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955 ..	▪123½	124½
Grand Trunk Pacific Rly.:			
3	Jan. 1962 ..	▪112½	114
4	Jan. 1962 ..	▪123½	125

%	Due	Bid	Ask
Provincial Govt. Bonds			
Alberta:			
3½	June 1950/71.	100½	101½
3½	June 1950/72	‡110	111
British Columbia:			
4½	Jan. 1969 ..	‡132½	134½
5	Sept. 1953 ...	106½	108
3	Dec. 1960 ...	99½	100½
3	June 1964 ...	99	100½
5	Sept. 1969 ..	‡130	131
B. C. Power Comm.:			
3	Oct. 1967 ...	99	100
Manitoba:			
4	Dec. 1957 ..	‡117½	119½
4½	Dec. 1956 ..	‡121½	122¾
5	Dec. 1959 ..	▪128½	130
5½	July 1958 ...	116¼	118½
3	Oct. 1965 ...	99	100½
New Brunswick:			
4½	Apr. 1961 ..	‡120½	122½
2¾	June 1966 ...	88½	90½
3¼	May 1967 ...	97½	99½
3½	Sept. 1963 ...	97½	99½
Nova Scotia:			
3½	June 1958 ...	101	102½
4½	Nov. 1960 ..	‡124½	126½
5	Mar. 1960 ..	‡128	130
3	June 1956/58.	100	101½
2¾	Sept. 1966 ...	95	97
3¼	June 1963/68.	101¼	102½

%	Due	Bid	Ask
Ontario:			
2¾	Nov. 1966/68.	96½	97½
3½	May 1962/65.	101½	102½
4	June 1962 ..	▪122½	124½
4½	June 1960 ...	100½	101½
4½	Jan. 1962 ..	‡127½	129½
2¾	July 1967/77.	94½	96½
3	Nov. 1963/65.	100	101½
5	May 1959 ..	▪129½	131½
Ont. Hydro Commission:			
4	Aug. 1967 ..	▪118½	120½
2¾	Oct. 1966/69.	96½	97½
3	Dec. 1963/65.	100	101
3	Nov. 1967/69..	99½	100½
Prince Edward Island:			
3½	Dec. 1961 ...	101	103
Quebec:			
3½	Mar. 1954/59.	103	104
3¼	Feb. 1952/55.	102½	103½
4½	Aug. 1958 ...	108½	109½
4½	Jan. 1963 ...	114	115½
4	Nov. 1960/62.	101½	102½
3	Sept. 1962/64.	100	101½
Quebec Hydro Commission:			
3	Feb. 1969/72.	98½	100½
3	Dec. 1958/60.	100	101
Saskatchewan:			
4	Nov. 1955/60.	100½	102
5	Aug. 1958 ...	107½	108½
4½	Mar. 1960 ..	‡116½	117½
5½	Oct. 1952 ...	104	105½
6	Mar. 1962 ...	104½	106
5	Dec. 1959 ..	‡120½	122
3	Mar. 1963 ...	92½	94
3¼	Nov. 1960/62.	93½	94½
3½	Oct. 1962/65.	99½	101½

▲Callable on or after earliest maturity shown & payable at maturity at 101.
†Callable on or after Sept. 15, 1966. ‡Payable Can. or N. Y.
▪Payable Can., N. Y. or £. *Callable at a premium.

Unlisted Stocks

(Compiled from quotations supplied by Kippen & Co., Intercity Securities Ltd. and Kamm, Garland & Co.)

Nov. 28, 1949

	Bid	Ask
Acadia Apts. com.	11.50	....
Aikenhead Hardware	75.00	....
Allens Kingston units	78.00	....
Allens Toronto units	42.00	....
Anglo-Can. Tele. A	10.00	11.00
Do. pfd.	46.50	48.00
Beach Foundry pfd.	94.00	....
Beauharnois L. H. & Pr.	19.00	20.00
Beauharnois Power	7.00	9.00
Bolivian Power Co. com.	34.00	....
Brinton Peterboro Carpet	97.00	....
British Amer. Assur.	72.00	....
British Mtge. & Trust	187.00	....
B. C. Sugar	87.00	90.00
B. C. Tele. ¾% pfd.	102.00	104.00
Brockville Trust $50 par	60.00	....
Canada Tea pfd.	90.00	100.00
Can. Co-op. Woolgrowers	9.00	....
Can. Fire Insur. $10 par	18.75	20.00
Can. General Invest.	17.25	18.00
Can. Gen. Sec. c.	7.00	....
Can. Indemnity	16.50	....
Can. Invest. Fund	4.90	5.35
Can. Invest. Corp.	8.00	8.75
Can. Motor Lamp	12.00	13.00
Can. West Nat. Gas com.	60.00	....
Do. pfd.	18.25	19.50
Capital Wire Cloth com.	14.00	....
Cawthra Apts. units	15.00	....
Chase A. W. units	53.00	56.00
Colonial Realty com.	6.00	....
Colonial Steamships com.	122.00	126.00
Commercial Finance com.	17.00	....
Commercial Life 10% paid	10.00	....
Commonwealth Inter. Corp.	3.54	3.89
Confederation Life 40% pd.	195.00	....
Cons. Div. Stand. Sec. pfd.	16.00	18.00
Do. com.	.50	.80
Cons. Oka Sand & Gravel c.	.75	....
Do. pfd.	3.50	....
Continental Life 20% paid	45.00	....
Cooksville A	9.50	10.50
Do. B	4.00	5.50
Copeland Flour Mills units	34.00	....
Corporate Investors	8.65	9.35
Crown Life Ins. 100% pd.	325.00	....
Cuban Can. Sugar com.	5.00	6.00
Debent. & Securities pfd.	90.00	....
Detroit Intnl. Bridge	18.00	19.00
Dom. Can. Gen. Insur.	200.00	230.00
Dom. Life Assur.	250.00	....
Dom. Royalties com.	.05	....
Dover Industries Ltd.	9.75	10.75
Dunlop Tire pfd.	25.00	26.00
Dupuis Freres pfd.	23.00	24.50
Empire Life 25% paid	17.00	19.00
Do. 20% paid	14.50	....
Essex Packers com.	....	4.00
Do. pfd.	....	40.00
Excelsior Life 20% pd.	103.00	....
Foreign Power Co.	6.00	8.00
Galt Brass com.	30.00	33.00

	Bid	Ask
Goderich Elevator & Trans.	16.25	17.75
Great West Life	445.00	465.00
Guardian Realty pfd.	54.00	....
Guaranty Co. of N. Amer.	385.00	415.00
Guelph & Ont. Svgs. $50 par	105.00	....
Gurney Foundry com.	50.00	....
Halifax Insurance	12.00	13.00
Hart Battery com.	7.50	9.00
Highland Dairy pfd.	55.00	....
Homewood Sanitarium	107.50	....
Hudson Bay ord.	10.00	....
Imperial Life	340.00	360.00
Indust. Mtge. Trust $50 par	61.50	....
Ingram & Bell pfd.	100.00	....
Lambton Loan & Inv. $50 p.	80.00	84.00
Laprairie com.	2.00	4.00
Do. pfd.	82.00	92.00
Loblaw Groc. Inc.	21.00	22.00
Manufacturers Life Ins.	340.00	365.00
Mersey Paper com.	38.00	....
Midland Prop. pfd.	30.00	....
Moirs Ltd. 6% pfd.	114.00	....
Monarch Life 30% pd.	133.00	....
Mountainview Apts. pfd.	25.50	....
Nat. Drug & Chem. com. N.	8.00	8.75
Do. pfd.	11.00	13.00
Nat. Life Assoc. 25% pd.	59.00	....
N. B. Telephone	11.00	12.00
New Method Laundry un.	3.00	....
Northern Tel. com.	1.50	1.90
Old Comrades Brew.	....	.60
Ont. & Que. Rly. 5% c. stks.	141.00	....
Ont. Tobacco Hold. pfd.	5.50	....
Paramount Oshawa pfd.	85.00	....
Peller Brewing com.	2.00	2.75
Do. pfd.	16.00	....
Provincial Bank of Canada	16.00	16.75
Prudential Trust	11.00	....
Ritchie Cut Stone pfd.	8.00	....
Sawyer Massey com.	2.75	3.50
Second Stand. Roy. pfd.	.04	....
Seiberling Rubber com.	5.00	7.00
Sincennes McNaught. Tugs	2.25	3.00
Sherbrooke Trust	140.00	....
Sovereign Life 25% paid	48.00	....
Standard Fuel pfd.	35.00	38.00
Do. com.	2.50	4.50
Sun Life Assce.	505.00	530.00
Third Can. Gen. Inv.	3.70	4.00
Toronto General Ins.	6.00	8.00
United Farmers Co-op.	2.00	....
United Steel A pfd.	24.00	26.00
Victoria Trust & Svgs.	135.00	....
Washington Royalties	.50	....
Waterloo Manuf. com.	6.00	7.00
Waterloo Trust & Svgs.	123.00	125.00
Western Assur. com.	71.00	74.00
Do. pfd.	41.00	....
Western Grain com.	.75	1.25
Do. pfd.	21.00	23.00
Wood, Alex. & Jas. com.	3.00	....
York Trading com.	10.50	12.00

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 10	Milling 4	Oils 5	Textiles and clothing 10	Food and allied prod. 15	Beverages 10	Bldg. mater. 16	Power and traction 12	Banks 8	Total utilities 16	Total co's 116
*1935 to date:												
High	247.7	287.9	149.7	123.7	221.9	138.3	447.0	168.5	146.2	136.2	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1949: Monthly Figures:												
Jan.	234.1	257.1	94.4	75.9	214.3	115.2	294.5	143.0	108.2	132.6	119.2	114.3
Feb.	224.1	244.1	89.8	68.7	203.1	113.6	281.5	139.7	105.7	131.0	115.1	108.1
Mar.	217.5	236.7	85.9	69.5	205.9	112.0	276.1	137.4	106.4	131.0	113.7	106.4
Apri	211.9	234.2	88.4	70.8	205.7	111.9	274.4	139.6	109.7	132.4	115.7	106.4
May	206.4	227.4	84.2	70.2	204.2	112.8	275.7	136.2	107.4	132.4	113.5	105.2
June	184.7	210.6	85.3	63.8	196.0	111.8	273.3	131.4	104.1	131.0	109.2	99.6
July	198.8	221.4	89.6	66.6	202.2	112.9	292.4	137.0	108.4	130.7	114.3	104.2
Aug.	209.5	230.6	90.2	68.8	204.6	114.6	306.7	140.0	111.2	133.2	119.5	108.2
Sept.	213.1	240.1	93.0	68.9	204.8	116.0	312.5	143.0	112.9	135.2	122.7	109.6
1949: Weekly Figures:												
Oct. 6	219.7	252.9	94.3	71.7	198.8	120.2	322.2	140.3	109.0	138.3	120.9	112.4
Oct. 13	217.8	259.5	95.6	73.4	207.2	120.8	331.2	150.2	112.0	138.7	122.6	114.3
Oct. 20	223.0	260.6	96.6	76.1	209.3	122.6	330.4	151.4	112.1	140.7	121.5	114.4
Oct. 27	225.0	262.8	96.6	78.4	210.3	124.5	334.5	154.8	113.5	141.4	122.6	116.0
Nov. 3	226.9	269.9	93.7	78.3	210.6	121.3	334.6	157.6	114.0	141.8	121.4	116.3
Nov. 10	228.3	272.2	96.4	83.8	215.6	123.1	333.0	159.5	111.7	141.8	121.9	118.3
Nov. 17	231.9	276.0	96.5	85.0	227.6	125.0	333.2	156.6	112.0	142.2	122.0	119.2
Nov. 24	234.8	279.1	96.4	83.2	223.6	124.4	343.2	158.7	111.6	143.2	121.2	118.9

*High and low for year from 1935 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Nov. 28	199.79	104.43	110.94	59.86
Nov. 26	200.67	105.76	111.35	60.33
Nov. 25	201.01	106.02	111.30	60.35
Nov. 24	201.70	105.89	112.11	60.88
Nov. 23	202.05	106.72	112.34	60.99
Nov. 22	202.10	106.60	112.43	60.84
Month ago	195.59	106.65	109.81	58.67
Year ago	184.25	82.24	106.38	56.93
1949 High	202.58	114.63	114.53	63.24
1949 Low	157.28	87.96	77.42	38.78

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
Nov. 28	75.1	136.8	116.2	359.99	68.23
Nov. 26	75.1	136.2	115.8	361.83	68.30
Nov. 25	75.2	135.9	115.7	359.94	68.68
Nov. 24	75.0	136.4	115.9	362.67	68.49
Nov. 23	75.4	136.5	116.1	364.07	69.56
Nov. 22	75.5	137.4	116.8	365.14	68.83
Month ago	75.1	132.1	113.1	341.30	71.14
Year ago	74.5	130.3	111.7	337.36	59.35
1949 High	75.9	137.4	116.8	365.28	74.40
1949 Low	70.0	109.3	96.3	251.34	60.17

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Nov. 28	192.24	47.67	39.32	67.96
Nov. 26	193.23	48.09	39.46	68.28
Nov. 25	192.78	47.97	39.51	68.16
Nov. 24	.....	.....	.....	.....
Nov. 23	193.52	48.54	39.50	68.49

	30 Indust.	20 Rails	15 Util.	65 Stocks
Nov. 22	193.23	48.88	39.34	68.48
Month ago	189.34	47.86	38.53	67.13
Year ago	171.90	52.47	32.55	62.90
1949 High	193.62	54.29	39.51	68.62
1949 Low	161.60	41.03	33.36	57.75

Unlisted Mines, Oils

(By the Broker-Dealer Assoc. of Ontario) subject to confirmation and change: Approximate quotations, 4 p.m., Nov. 28.

	Bid	Ask
Abenakis	3	4
Advance	3½	4
Alexander	2	4
Aljo	½	1½
Ama Kir	6	8
Anna'que	3	4
Arctic	5½	7
Argonaut	1	2
Audley	1	2
Auterra	1	3
Baker	1	2
Barb L N	3	5
Beaulieu	2½	3½
Beauriv	1½	3
Bi Ore	25	30
Blondor	3	4
Bousan	13	15
Bour C	3	4
Bradnor	1	2
Birocco	16	18
Br Breest	1	3
Braminco	17	21
Bravo	1	2
Bright R L	1½	2½
B McDade	7	9
Bulldog	13	16
Burley Po	2	2½
Camlaren	3½	5
Camray	9	11
Captain	2	3
Carricona	2	4
Cassidy	1½	2½
Cent M	5	6
Cock R L	1	2
Columbier	1½	2½
Con Chib	28	31
Con Cop	8½	9½
Courageo	1	2
Craibbe	4	6
Croydon	2	4
Cuyuni N	25	35
Delhi	3	7
Derlac	2	3
De Sant	3	4
Dickenson	17	19
do new	..	70
Dom Mal	1	2

	Bid	Ask
Dona Pat	1	2
Doris	2½	4
Durham	8½	11½
Echo Ind.	3½	6
Elmac	3	5
Erin Kirk	1	2
Flicka	2	3
Forty F'r	105	110
Gen Cop	2	4
Geneva L	2	4
Gilbec	½	1½
Goldpac	..	15
Goodrock	1	2
Gord Lebel	½	1½
Gov Gold	2	4
Grnd Chib	22	25
Greenlee	4	6
Grndhog	14	..
Halden	4	5
Habitant	1½	3
Harp Mal	1	2
Hornfault	12	15
Hayes Cd	½	2
Hugh Pam	17	19
Independ	4½	6
Islepines	3	8
Joannes D	1	2
Kamlac	16	18
Ken Bay	3½	5
Kenda Pe	4	7
Kenroy	1	2
Kingdon	..	20
L Expanse	8	10
Lar Add	4	5
La Salle	3	4
Lavalie	2½	3½
Legardo	1½	2
Lennie	1½	3
Le Pine	3	5
Louvore	½	1½
Mallen R L	4	6
Marbenor	12	15
Marquette	1½	1½
Mar Bird	3	4
Mary Ann	4½	5½
Mat Con	37	40
Mate Yel	3	5

	Bid	Ask
Metalore	3	4
Miles R L	3½	5
Mindus	12	15
Mink	3	5
Mistassini	2	4
Moffat H	2½	3
Mohawk P	2½	4
Morris K	1	3
Murbell	1	2
Murmac	7	9
McManus	5	7
McCuaig	4	6
Nat Mal	47	50
do new	7	8
Nayb '45	2	4
Newcore	9	11
New Aug	12	15
New Mal	3	5
Nickel L	3	5
Nisto	24	27
N Offsets	150	200
Norbeau	100	110
Norbec	14	16
Norcourt	3½	4½
Norford	2	3
Normar	2	3½
Nortyne	½	1½
Novele P	2	4
Obalski old	6	8
do '45	15	18
Obaska	10	12
Opemiska	16	17
Oklend	3	5
Olivet	2	3
Ortona	4½	5½
Pascalis	13	16
Pelangio	4	6
Payne	3½	5
Phelps	1½	2
Pinnacle	1	2
Poona Go	½	1½
Presdor	2½	3½
Privateer	16	19
Pro Divers	11	14
Quejo	7	9
Quest	1½	3
Rand Mal	10	12

	Bid	Ask
Rajah R L	1	3
Raymond	1½	2½
Randona	2½	3
Redruth	4	6
Redwood	5	7
Rhyolite	2	3
Richgroup	5	7
Russet	4	5
Salmita	2	3
Santiago	10	12
Sepha	3	4
Sheldon	11	13
S Dufalt	3	6
Silv Arrow	2½	5
Sovereign	4	5
Skynner	2	4
Starlight	2	4
Sun Bear	3½	4½
Thornhill	1½	2½
Tiffany	1½	3
Tobico	3	4
Tovarich	1	2
Viking	13	15
Val d'Bel	1	1½
Vinray	2½	3½
Walcoro	2	3
Wesley	1	2
West R L	1½	2½
Wilwood	1	2
Y Davids	18	20
Yelknife	190	..
do vt	135	..
OILS		
Franco	53	55
Granleduc	20	23
Home O	13	13½
Jupiter	17	20
Lingnora	6	8
Major Oil	5½	6½
New Ranch	2½	3½
Pac Oil Re	3	5
Princess	38	40
Reef Pete	38	40
Universal	1½	2½
Vermilion	33	40
Westlock	5½	7

Municipal Bonds

Nov. 29, 1949

	Coup. %	Matur.	Bid $	Ask $	Yld. %
Victoria	3¾	'55-66	98¼	100¼	3.73
Vancouver	3¾	'69	99	101	3.68
Calgary	3½	'62	99	101	3.40
Edmonton	3½	'60	99	101	3.40
Regina	3	'64	90½	92½	3.65
Moose Jaw	3-3½	'60	94	97	3.50
Winnipeg	2¾	'66	93½	95½	3.09
Ottawa	3	'54	101½	103½	2.23
Toronto	2¾	'72	94	97	2.94
Hamilton	3	'60	99	101	2.90
Windsor	2½	'75	72	75	4.05
Windsor	2¾	'75	76	79	4.05
Windsor	3½	'75	88	91	4.05
Montreal	3	'70	93	96	3.27
Quebec	3½	'64	99	100	3.50
Halifax	3	'66	95	98	3.15
Saint John	3½	'65	99	102	3.34

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
▲Algoma Cent. Term. 1st mtge. D.S. & bds.	5%	1959	Dec. 31	125
▲Candn. Nat. Rly.	5%	1970	Feb. 1	105
▲Cons. Pap. Corp. 1st mtge. bds.	3½%	1967	Jan. 3	101½
▲Thompson Co. ser. deb.	3%	'49-52	Nov. 15	101
▲Thompson Co. ser. deb.	4%	'53-57	Nov. 15	102
‡United Sec. coll. trust bds. ser. B	3%	1953	Dec. 1	100½

▲$778,500 ▲AA o/s. ‡$372,000.

Bond Tenders

5 p.m., Dec. 1, 1949, City of Halifax, N.S. —3%, 3¼% and 3½% debentures, due Jan. 2, 1951-57-66-70, $3,000,000, dated Dec. 2, 1949.

Dividends Declared

	This payment $	Date payable	Date of record
Abitibi Pwr. & Pap.	.50	Jan. 1	Dec. 1
Do. $1.50 pf.	.37½	Jan. 1	Dec. 1
Acadia Atlant. A	.25	Jan. 3	Dec. 12
Do. pfd.	1.25	Dec. 15	Nov. 21
Aluminium	.50+.50	Dec. 5	Nov. 10
Am. Cyanamid	†.50+.62½	Jan. 3	Dec. 1
Do. pfd.	†.87½	Jan. 3	Dec. 1
Anglo-Hur.	.15	Jan. 25	Jan. 3
Asbestos Corp.	.20+.40	Dec. 23	Dec. 1
J. H. Ashdown Hdwre. A	.15	Jan. 1	Dec. 10
Do. B	.50	Jan. 1	Dec. 10
Assoc. Tel. $6 pf.	†2.42	Dec. 19	Nov. 15
Do. $7 pfd.	†3.69	Dec. 19	Nov. 15
Auto Electric	.10	Dec. 15	Nov. 18
Do. A	.12½	Dec. 15	Nov. 18
Auto Electric	.15	Dec. 15	Nov. 18
Do. B	.10	Jan. 2	Dec. 15
Bk. of Montreal	.20	Jan. 3	Nov. 30
Bank of N. Scotia	.30	Jan. 3	Nov. 30
Bk. of Toronto	.30	Jan. 3	Nov. 30
Barber Ellis	.50	Dec. 15	Nov. 30
Bathurst Pwr. & P. A	.37½+1.12½	Dec. 1	Nov. 3
Beaver Lumber	.50+.50	Feb. 1	Jan. 10
Do. A	.25	Jan. 3	Dec. 10
Do. A	.25	Apr. 1	Mar. 10
Do. pfd.	.35	Jan. 3	Dec. 10
Do. pfd.	.35	Apr. 1	Mar. 10
Beld.-Cort.	1.50+1.00	Jan. 3	Nov. 30
Do. pfd.	1.75	Jan. 3	Nov. 30
Belgium Glove	.15	Jan. 2	Dec. 15
Do. pfd.	.25	Jan. 2	Dec. 15
Bell Telephone	.50	Jan. 16	Dec. 15
Brazilian Tr.	1.00	Dec. 15	Nov. 10
Do. pfd.	1.50	Jan. 3	Dec. 15
B. A. Bk. Note	.40	Dec. 15	Dec. 1
B. C. Forest	.15	Feb. 1	Jan. 3
	Coup. 5		
B. A. Oil	.25	Jan. 3	Dec. 6
Do pfd.	0.234375	Jan. 3	Dec. 6
Bruck Mills A	.30	Dec. 15	Nov. 15
Do. B	.07½+.07½	Dec. 15	Nov. 15
Bulolo Gold	.50	Dec. 2	Nov. 14
Burrard D. D. A	.11	Dec. 15	Nov. 26
Butterfly Hose.	.15	Dec. 15	Nov. 15
Do. pfd.	2.50	Jan. 31	Dec. 31
Can. Cement pfd.	.32½	Dec. 20	Nov. 18
Can. Crushed Stone	.15	Dec. 20	Dec. 1
Do.	1.20	Jan. 3	Dec. 1
Can. Dry	.15	Jan. 1	Dec. 12
Do. pfd.	†1.06¼	Jan. 1	Dec. 12
Can. Found. & Forg. A	.37½	Dec. 14	Nov. 25
Do. B	1.50	Dec. 16	Nov. 25
Can. Foils	.10	Dec. 15	Nov. 25
Can. Gen. Ins.	8.00	Dec. 7	Nov. 22
Can. Malting	.50+1.50	Dec. 15	Nov. 15
	Coup. 88-xc-Dec. 14		
Can. Machine	.25	Dec. 28	Dec. 10
Can. Nor. Pwr.	.15	Jan. 25	Dec. 20
Can. Trust	4.00	Jan. 3	Dec. 15
Can. Perm. Mtge.	2.00	Jan. 3	Dec. 15
Can. Trust	4.00	Jan. 3	Dec. 15
Can. Wire & Cable A	1.00	Dec. 15	Nov. 30
Do. B	.50	Dec. 15	Nov. 30
Can. Bk. of Com.	.20	Jan. 3	Nov. 30
Candn. Brew.	.50	Jan. 2	Nov. 30
Can. Can.	.31½	Jan. 3	Dec. 10
Do. 1st pfd.	.25+.05	Jan. 3	Dec. 10
Do. 2nd pfd.	.15+.10	Jan. 3	Dec. 10
Can. Cel.	.50	Dec. 31	Dec. 9
Do. $1.75 pfd.	.43½	Dec. 31	Dec. 9
Do. $1 pfd.	.25	Dec. 31	Dec. 9
Candn. Cot.	.70	Jan. 3	Dec. 2
Do. pfd.	.30	Jan. 3	Dec. 2
Candn. Food A	.25	Jan. 2	Nov. 30
Do. pfd.	1.12½	Jan. 2	Nov. 30
Candn. For. Inv.	.50	Jan. 3	Dec. 2
Candn. Dredge	.25	Feb. 2	Jan. 6
Can. Gen. Elec.	2.00+4.00	Jan. 3	Dec. 15
Can. Gen. Sec A & B	3.00	Jan. 3	Dec. 15
Can. Ice Mach. A	.30	Jan. 3	Dec. 14
Can. I. Alco. A & B	.25	Dec. 10	Nov. 15
Candn. Ing. Rand	1.00	Dec. 28	Dec. 14
Can. Ins. Shares	1.50	Dec. 15	Dec. 1
Candn. Malartic G.	.02	Dec. 14	Nov. 22
Candn. Motor	.15	Dec. 15	Nov. 15
Candn. Refractories	1.12½	Jan. 15	Dec. 1
Candn. Silk A	.37½	Jan. 3	Dec. 1
Candn. Wirebound A	.37½	Jan. 3	Dec. 9
Cassidy's	.15+.25	Jan. 3	Dec. 2
Do. pfd.	1.75	Jan. 3	Dec. 2
Catelli Food Prod.	.75	Nov. 30	Nov. 23
Cent. Nor. Air. pfd.	.15	Dec. 1	Nov. 14
Cent. Pat. G. M.	.05	Dec. 21	Dec. 1
Chart. Trust	.50	Jan. 3	Dec. 15
Coch. Willans	.04	Dec. 29	Dec. 12
Coniaurum M.	.02½	Dec. 30	Dec. 7
Confederation Life	2.00	Dec. 15	Dec. 10
Cons. Div. St. Sec. pf	1.00	Jan. 3	Dec. 15
Cons. Pap.	.50+.75	Jan. 17	Dec. 2
Craig Bit. pfd.	.25	Jan. 2	Dec. 10
Crow's N. P. Coal	2.00	Dec. 1	Nov. 25
David & Frere A	.25+.50	Dec. 31	Dec. 15
Detroit & C. Tunnel	.75	Jan. 6	Dec. 16
Disher Steel	.50	Jan. 3	Nov. 30
Distill. Corp.-Seag.	.30	Dec. 15	Nov. 30
Dom. Coal pfd.	†.37	Dec. 22	Nov. 30
Dom. Glass	.25+1.25	Jan. 14	Dec. 20
Do. pfd.	.35	Jan. 14	Dec. 20
Dom. Dairies	.12½	Jan. 14	Dec. 31
Do. pfd.	.44	Jan. 14	Dec. 31
Dom. Square	1.00	Jan. 16	Dec. 15
Dom. Stores	.37½	Dec. 15	Nov. 18
Dom. Tar & Chem. com. & V.T.	.25	Feb. 1	Jan. 3
Do. pfd.	.25	Jan. 3	Dec. 1
Dom. Textile	.25	Jan. 3	Dec. 5
Do. pfd.	1.75	Jan. 16	Dec. 15
Donnacona Pap. pf.	1.12½	Feb. 15	Jan. 16
East Leduc	.01½	Jan. 3	Dec. 15
Easy Washing	.05+.10	Jan. 3	Dec. 15
Enam. & Heat.	.50	Jan. 31	Dec. 31
Eddy Paper A	.25	Dec. 15	Nov. 18
Electrolux	†.40	Dec. 15	Nov. 15
Erie Flooring A	.30	Dec. 31	Dec. 15
Do. B	*.50	Dec. 31	Dec. 15
Falconbridge Nick.	.15	Dec. 22	Nov. 30
Famous Players	.30	Dec. 24	Dec. 9
Fanny Farmer	.37½+.50	Dec. 31	Dec. 15
Fibre Pro.	.20	Dec. 21	Dec. 1
Fittings A	.30	Jan. 3	Dec. 1
[illegible]			

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Nov. 29, 1949

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Rate Week Bid
▲Alg. Cen. H.B.R.	5	'59	88	91	89
Bell Telephone	3	'77	98½	101	99
B. C. Electric	3½	'67	97½	100	97½
Do.	3½	'69	102	104½	102
Calgary Power	3½	'72	97½	...	97½
East Kootenay	3½	'67	91½	...	91½
Gatineau Pr. D	3½	'70	101	103½	101
Gt. Lakes Pwr.	3½	'67	99½	101½	99½
*Int. Hydro-El.	6	'44	66½	69	66½
Int. Prov. Pipe Line	4	'70	141	145	134
L. St. Law. Pwr.	3½	'65	97½	100	97½
Maclaren-Quebec Power	3	'69	95½	...	95½
Mtl. Trams. B	5	'55	98	100½	97½
Nat. Lt. & Pwr.	4½	'61	100½	103	100½
Nor. Que. Pwr.	4½	'67	99½	102	99½
Ott. L.H. & Pr.	4	'57	100½	...	100½
Power Corp.	3½	'67	97	...	97
Quebec Power	3	'62	99	101½	99½
St. Maurice Pr.	3½	'70	99	102	99
Shaw. W. & Pr.	3	'61	99	101½	99
Shaw. W. & Pr.	3	'71	97	100	97
Do.	3½	'73	102	104½	101½
Union Gas	4½	'50	100½	...	100
Un. Fuel Invest.	4	'59	101	...	101
United Secs.	3	'52	99½	...	99½
Wpg. Electric	3½	'71	102	104½	102
Industrial Issues:					
Abitibi Pr. P.	3½	'67	101½	104	101½
Acadia-Atlantic Sugar	3½	'63	101	...	101
Aluminum Co.	3½	'74	102	...	102
Bathurst P. & P.	3½	'68	98½	...	98½
B. C. For. Prod.	4	'66	90	93	90
B. C. Pulp & Pa.	3½	'67	95	98	95
Bowater's Nfld. P. & P.	3½	'68	95	98	95
Brompton Pulp & Paper	3½	'66	94½	...	94½
†Brown Co.	5	'59	94½	97½	94½
Burns & Co.	4	'68	99½	101½	99½
Can. Steamship	3½	'57	98	100½	99½
Do.	4	'66	98	101	100
Can. Bread	4½	'67	100	102½	100
Can. Brew.	3½	'67	98	99½	98
Can. Celanese	3	'62	98	101	98
Can. Oil	3½	'62	99	101½	99
Can. W. Lum.	4	'62	100½	103	100½
C.P.R.	3½	'51	100½	...	101
C.P.R.	4	Perp.	114	...	113
Cockshutt Plow Co.	4½	'65	101½	104	101½
Colombia Cell.	5	'68	102	104½	102
Consol. Paper	3½	'67	101½	104	101½
Dom. Coal	4½	'52	100½	...	100½
Dom. Tar & Ch.	3½	'57	101	...	101
Dom. Textile	3½	'59	101	...	100½
Dom. Woolens	5	'64	97½	100½	97
Dryden Paper	4	'61	100½	...	100½
E. B. Eddy	3½	'66	99½	102½	99½
E. B. Eddy	4	'66	102	104½	102
English Elec.	4	'67	95½	...	95½
Federal Grain	4	'64	99½	102	99½
Imp. Tobacco	2¾	'66	96½	98½	96½
Indust. Accept.	3½	'66	97½	100	97½
Lake St. J. P.	5	'61	101½	...	101½
Laurentian Silk	4½	'67	99	...	99
MacMillan (H.R.) Ex.	4	'65	101	...	101
Maple L. M.	3½	'63	97	100	97
Massey-Harris	3	'66	96½	99	96½
Do.	4½	'63	103	105½	103
McColl-Front.	5	'71	95	98	95
Mercury Mills	4	'63	99	...	99
Monarch Knit.	4	'68	100	...	100
N. S. Steel Coal	3½	'63	101	103½	99
Penman's	3½	'66	100½	...	100
Price Bros.	3½	'66	101½	104	101
Silv. Dairies	4	'60-64	98	101	98
Do.	4	'71	88	92	88
Simpsons Ltd.	3½	'80	101½	104	101½
Stl. Co. of Can.	2¾	'67	96	98½	96
Tor. Elevators	3½	'66	98½	...	98½
United Corp.	4	'58	100	...	100
United Steel	4	'60	99	...	99
Un. Grain Gr.	4	'63	100	...	100
†Western Grain	5	'63	84	87	84
York Knit. Mills	3½	'71	90	93	90

*Payable in Canada or United States.
▲Payable in Canada or U. K.
†Payable in Canada, U. S. or U. K.

Supplementary Bond Quotations

Furnished by Investment Dealers' Association
Month-end Closing Prices
Nov. 29, 1949

	Bid	Ask
Acadia Apts. 4%, 1959	97½	..
Adelaide Peter 4%, 1967 & com.	80½	..
Adelaide Sheppard 5-7%, 1946	69½	..
Alex. Bldg. 6%, 1962 & com.	79½	..
Ancroft Place 4%, 1956 & com.	84½	..
Balfour Bldg. 3-6%, 1943	84½	..
Bay Adelaide 4½%, '66 & com.	90½	..
Bay Cumb. 3½%, 1958 & com.	77½	..
Bay St. Albans 4%, 1953	85½	..
Bloor St. George 4%, 1967 & com.	92½	..
Clarendon Apts. 7%, 1946	71	..
Clarendon Properties 7%, 1947	69	..
Deer Pk. Manor 4%, '59 & com.	80½	..
Dominion Square 4%, 1959	101½	..
Ellis Park 4½%, 1960 & com.	99	..
400 Ave. Rd. 4½%, '57 & pfd.	92½	..
Gleneagles Inv. 5%, '59 & com.	111½	..
Lombard Rty. 2½%, '51 & com.	59½	65
Lord Nelson Hotel 4%, 1947	86½	..
Montreal Apts. 1st 4½%, 1964	97	..
Do. 2nd 4½%, 1954	92½	..
Municipal Bankers 4-5%, 1948	36½	..
Oshawa Bldg. 4%, 1953 & pfd.	83½	..
Ramsden Park Apts. 5%, '61 & com.	68	..
St. Clair 200 W. 4½%, '58 & pf.	92	..
Sherbrooke St. Realty 4%, 1952	98	..
Stanley Realty 3%, 1962	32½	..
York Adelaide 7%, 1945	75	..

Investment Trust

	Bid	Ask.
Affiliated Funds	3.93	4.31
Can. Int. Trust	4.30	5.25
Can. Invest. Fund	4.90	5.35
Can. Invest. Corp.	8.00	8.75
Corporate Invest.	8.61	9.31
Commonwealth Int.	3.53	3.88
Trans-Canada	14.40	....
Do. B	....	15.10

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$20.68	$20.00	$21.00
Hogs	27.54	28.15	28.80
Copper, lb.	.18½	.18½	.23½
Sugar, raw, lb.	.0535	.0540	.0518
Coffee, lb.	.31	.30	.27¼
Hides	.25	.25	.28
Weekly Indices			
U. S. Labor	151.5	151.5	164.0
Dow Jones	135.28	135.75	147.24
Fisher's	160.8	159.7	171.0
Monthly Indices			
Retail (Oct.)†	162.2	162.3	159.6
W'sale (Sept.)	155.4	155.3	158.4
U. S. (Aug.)	153.0	153.8	169.4
Gt. Brit. (Aug.)	228.6	228.6	221.1

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base price of quotations is as follows: Cattle — Steers, good, up to 1,000 lb. top price, Toronto. Copper-electrolytic, New York. Coffee, No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Dividends Declared (con'd)

	This payment $	Date payable	Date of record
Powell River	.50+1.85	Dec. 15	Nov. 26
	Coup. 20-xc-Dec. 14		
Power Corp.	.50	Dec. 31	Nov. 18
Do. pfd.	1.50	Jan. 16	Dec. 20
Do. 6% pfd.	.75	Jan. 16	Dec. 20
[illegible]			

†American funds. *Initial. ‡Extra. ◊On arrears.

Market Comment

What stocks and bonds are doing and what prominent observers say

Most stock groups on Canadian and U. S. markets were under mild pressure at midweek, not so much from weight of selling as absence of buying. Under such conditions year-end tax selling made itself felt in U. S. But more important than this which can't be heavy this year, is the psychological effect as it hangs over the market. Potential security buyers prefer to stick to the sidelines until year-end influences are out of the way.

Anticipation of an early snap audit of member houses of the Toronto Stock Exchange took its toll this week. There was some liquidation of heavily margined accounts on Monday and margin buyers were not too encouraged by brokers to step into the market again for a couple of days at least.

This audit has to come within the next two or three weeks. Actually margin buying represents an unusually small proportion of over-all security buying at the present time. As at Oct. 31 brokers' loans of member houses of the Toronto Exchange only amounted to $30.5 millions—or 0.40 of 1% of total quoted market value of listed stocks on that day.

Market reaction of Labrador and Hollinger to the long-awaited financing news was anything but encouraging. Many Labrador shareholders, in particular, saw no reason why they should retain the stock further. Much of the heavy selling of the last few days, however, is from speculative traders who had just taken short-term positions pending announcement of financing deal.

* * *

W. D. BENSON: R. Moat & Co. (Montreal)

Industrial recovery which, under the stimulus of buying for replacement of depleted inventories made rapid progress after mid-year, has subsequently tapered off sharply as a result of the U. S. steel strike, but at this writing is once more on the upgrade.

Due to the complex and artificial situation created by the strikes, it is difficult at this time to appraise with any great assurance the near-term industrial outlook, but it now appears probable that barring anything of an unforeseen nature, this recovery should continue with prospects favoring relative stability in the first half of 1950.

As a result of a careful re-examination of the over-all picture I am drawn to the conclusion that insufficient allowance has been made in previous prognostications for the true latent buying power of the masses, a fact clearly underlined by the experience of chain and department stores who have found it possible to attract volume purchases with even minor price concessions.

In United States, determination of the Government to spend for the maintenance of prosperity rather than stability — at a time of relatively active business — is evinced by the revised budget estimate of a deficit of $5 billions for the year ending June 30 next as against an earlier forecast of only $900 millions.

In spring, 1950, $2.8 billions in veterans' insurance refunds will be distributed, a substantial proportion of which is likely to flow directly into the industrial bloodstream, and the psychological effect of recently granted pension plans to wage earners, which may well result in an expanded disposition to spend an increasing percentage of current revenues, may also be an important sustaining factor.

Under the circumstances, and in line with normal seasonal tendencies, I would suggest that any irregularity or market weakness developing before the year end might properly be taken advantage of in anticipation of a market advance up into spring, 1950.

The situation by spring will call for a general re-appraisal, based on the expectation that the second half of 1950 may well witness substantial satisfaction of demand for new automobiles, the liquidation of steel shortages resulting from the strike, a decline in exports and some falling off in general construction.

On the other side of the ledger, the trend of governmental spending in United States will bear watching as an offset to business readjustment, and in preparation for a November election in that country, all of which may tend to influence the trend of events in Canada.

* * *

PAUL W. MATTHEWS: Matthews & Co. (Toronto)

The market's strong tone since last June bringing the averages to the highs of their traditional resistance points for the past three years should, in general, call for considerable caution in making new commitments. However, the inflationary pump-priming tactics at Washington, the easy credit situation, and in Canada the partial elimination of double taxation on stocks should assure a continued strong demand for the blue-chip type of stocks by new investment money.

In the more speculative or marginal type of stocks representing companies which are not so strongly entrenched more extreme caution should be exercised. This would include industrial, mining, and oil shares which have not acquired investment status.

In other words, in spite of U. S. business recession being temporarily halted, there are bound to be market setbacks which affect this type of stock—which is traditionally subject to large fluctuations and therefore, in spite of inflationary tendencies within the economy, a good cash position on speculative account is advised.

We favor at this time the shares of consumer goods industries on the basis that mass purchasing power will be maintained by one means or another also selected public utility and paper stocks and well-entrenched gold producers.

* * *

DRAPER DOBIE & Co. (Toronto)

It is the Western Oils section of the market which is likely to supply the dynamite during the coming year.

The extensive oil fields discovered in Western Canada are of tremendous import, and their extent is being increased steadily. Temporarily production is limited, but with the financing of the different projected pipelines, interest will be awakened to an unprecedented extent in many parts of the continent where the importance of the new oilfields has not been realized up to the present.

We believe that clients who are dissatisfied with the action of any of their present holdings would do well to consider Western Oils, and we think furthermore that all clients should have some of these securities in their portfolios.

* * *

L. F. ROTHSCHILD & Co. (New York)

The stock market appears to be in process of a major advance. This tide is expected to be supported by growing appreciation of the liberal yields obtainable from common stocks of firmly established companies.

New Highs and Lows

During the week ended Nov. 26, 60 new highs were recorded among the general stocks on Canadian Stock Exchanges and 10 new lows. In the mining group there were 7 new highs and 11 new lows. In the western oil group there were three new highs and one new low.

GENERAL

New Highs—1949

Abitibi	Ind. Paper pref.
Do. $1.50 pref.	MacMillan Ex. B
Algoma Steel	Massey-Harris pref.
Alum. of Can. p.	Molsons Brew.
Argus 4½% pref.	Moore Corp.
Br. Am. Bk. Notes	Nat. Drug pref.
Bruck S. Mills B	N. Sew. Pipe A
Can. Cr. Stone	National Tr.
Can. Nor P.	North Star Oil
Can. Starch	Do. pref.
Can. Breweries	Nuclear Ent.
Can. Canners 2 pf.	Ontario Steel
Can. Indust.	Penmans pref.
Can. Westinghouse	Price Bros. pref.
Cassidy's	Provincial Trans.
Cons. Smelt.	P. L. Robertson
Cons. Paper	St. Law. Corp.
Distill. Seagrams	Do. 1st pref.
Dom. Engineer	Simpsons pref.
Dom. Textile pref.	Shawinigan P. pf.
East Koot. pref.	Slater, N.
Easy Washing	Stand. Radio
Fittings A	Stedman Bros.
Gatineau Power	Traders Finance A
Gen. Products A	Do. B
H. Smith Paper	Do. pref.
Do. A pref.	Twin City R. T.
Hunts A	Walker-Good.
Imp. Tobacco 4% p.	West. Grocers pref.
Ind. Accept.	Zeller's 5% pref.

New Lows—1949

Barcelona	Ham. Cotton
Bates & Innes	Fleury, Bissel pref.
Brand & Millen	Inter City Baking
Can. Bakeries	Penmans
Ch. Gai Wines	Scythes & Co.

MINING

New Highs—1949

Amer. Nepheline	Osisko
Fourty Four	Porcupine Reef
Jaculet	Proprietary
Joliet Quebec	

New Lows—1949

Amer. Yellowknife	Negus Mines
Arno	Reno Gold
Cons. Astoria	West Malartic
El-Pen-Rey	Wingait
Goldcrest	Yale Lead
Little Long Lac	

OILS

New Highs—1949

Roxana	Federated Pet.
	Pacific Pet.

New Lows—1949

Warner

Approve Purchase Two Guelph Firms

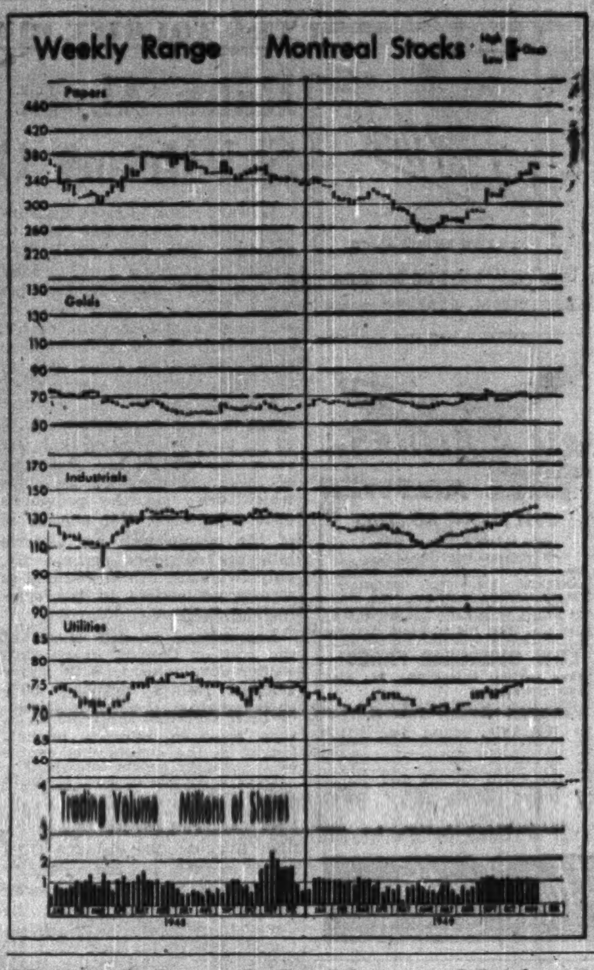
Shareholders of Huron & Erie Mortgage Corp. and its subsidiary, Canada Trust Co., have approved the purchase of the Guelph & Ontario Investment & Savings Society and the Guelph Trust Co. (The Financial Post, Oct. 22.)

Shareholders of the two Guelph firms also approved sale of their companies at meetings on Nov. 22.

To conclude the purchase, approval of the Federal Treasury Board and an order-in-council by the Ontario Legislature are required.

Company Meetings

1949	Company	Place
Dec. 1	Ogilvie Flour	Montreal
Dec. 2	Nat. Sewer Pipe	Toronto
Dec. 5	Bk. of Montreal	Montreal
Dec. 7	Bk. of Nova Scotia	Halifax
Dec. 7	Lake of Woods	Montreal
Dec. 8	Ont. Steel	Gananoque
Dec. 8	Sherwin Williams	Montreal
Dec. 9	Consumers Glass	Montreal
Dec. 9	Marcus Loew's	Toronto
Dec. 9	Walker-Good.	Walkerville, Ont.
Dec. 13	Candn. Bk. of Comm.	Toronto
Dec. 14	Dom. Bank	Toronto
Dec. 14	Mex. Lt. & Pwr.	Toronto
Dec. 14	United Bond	Montreal
Dec. 19	Twin Rap. T.	Minneapolis
Jan. 10	Bk. Candn. Nat.	Montreal



United Bond & Share Shifts From Preferred to Commons

The list of securities held by United Bond & Share as at Sept. 30, 1949 shows a shift in emphasis from preferred to common stocks and an increase in holdings of bonds since Sept. 30, 1948.

Total bond holdings increased from $65,000 to $100,000, an increase of $60,000 in Canada 3%'s of 1963 more than offsetting reduction of $25,000 in 1¾%'s of 1950.

Preferred stocks sold during the year included:

Stock		Shares
Canada Cement	$1.30	700
Gatineau Power	5%	50
Industrial Acceptance	5%	100
Lake of the Woods Milling	7%	50
McColl-Frontenac	4%	200
Zellers	6%	200

Since no new preferreds were purchased, remaining holdings at Sept. 30, 1949 comprised only 400 shares Canada Steamship Lines 5%, 100 shares Cassidy's 7% and 500 shares Eddy Paper, Class A.

Extensive changes were made in the common stock list with purchases exceeding sales by a good margin. Purchases were as follows:

Stock	Shares
Distillers Corp.-Seagrams	200
Dominion Glass	200
Dominion Textile	300
Famous Players	200
General Motors	200
Hollinger	300
Industrial Acceptance	500
Lake of the Woods	100
Moore Corp.	100
Noranda	100
Wabasso Cotton	200
Walkers	100
Canadian Bronze	200
Chrysler	100
Fraser Cos.	200
Goodrich	50
International Paper	100

Sales were:

Stock	Shares
Bralorne	600
B. C. Packers Class A	600
Jamaica Public Service	500
H. R. MacMillan Class A	200
Do. Class B	700
U. S. Steel	200
Dome Mines	200
Steel of Canada	100

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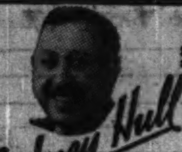
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THE TOURIST BUSINESS

By WALLACE GILLESPIE

Rates About the Same, More Tows, etc., Ski Resort Owners Hope For Boom Year

Upward climb of rates at Canadian winter resorts has come to an end. This year you'll pay about the same for a ski holiday as last, with more services offered. There's a wider range of ski tows and lodges to choose from, but, if current weather holds, there'll be some 15% to 20% more people in the field.

Ontario shows the greatest spurt in new development, with 60 ski tows in operation this year compared with 50 last. But most of these are operated by clubs which draw on the province's own enthusiasts. Not one in 10 of the people who use Ontario hills are outsiders, and, so far, only two areas can be counted as serious contenders in the commercial field.

Laurentians is still ahead of the rest of Canada in physical winter development. With major Quebec resorts drawing 50% of their clientele from the U. S., that province remains unchallenged as the commercial centre of the winter sports industry.

Over a decade or two, it could find a rival in the alp-like Canadian Rockies, but distance from major markets and the proximity of good skiing in the American Rockies to the south limit the Canadian West to local recreation, except in the case of Banff and Jasper. Skiing in the Maritimes is almost exclusively on a local basis, and Newfoundland lacks ski lodges.

Cross-country reports to The Financial Post sketch an ever-expanding pattern of ski tracks across Canadian slopes. Canadian converts to the sport, since its introduction from Europe a half century ago, now number 40,000, and the figure is still growing.

Need Weatherman's Help

Snowfall is the deciding factor between feast or famine in the winter resort trade. With average "good luck" from the weatherman (plenty of snow, medium to cold temperature), 1949-50 should be the best yet — alike in club activity, resort booking, and all-inclusive trips.

Supporting the forecast is a report of the American Automobile Association in the U. S. which names Canada "the major foreign travel objective of U. S. tourists"; predicts a busy winter season; and adds "this season's northward trek is expected to be a record-breaker for those who wish to enjoy winter sports north of the border."

Meanwhile, Canadian skiing, originally imitative of Scandinavian and Alpine techniques, is developing a style of its own — a style born out of adaptability to the hard-packed snow of the Laurentians and the powdery terrain of the Rockies.

The garment industry is producing ski clothes which are gaining recognition beyond Canadian borders. Frequently, visiting U. S. skiers buy clothing in this country in preference to buying what is offered at home. The result has been the beginning of an export industry in Canadian-made ski clothing to New York City.

Canadian manufacture of skis and related apparatus is on a par with that in the U. S. While we aren't yet in the export field on these lines, home manufacture has been sufficiently satisfactory that sales of Scandinavian imports have dropped to a fraction of 1%.

Hotels Stay Open

More and more hotels which formerly operated for the summer season only are now remaining open year-round to catch the ski trade. It was on this score that the Laurentians got their head start.

Ontario also has a range accessible to the excursions trade, and it's not impossible that Toronto's Union station could become a forest of skis on a Saturday or Sunday morning headed for the axis between Hamilton (on Lake Ontario) and Collingwood (on Georgian Bay). It is significant that Toronto Ski Club is one of the largest in the world, because clubs usually thrive in those areas where resort skiing is not conveniently accessible.

Ontario's Outlook

It is only since the war that major commercial developments have taken place in Ontario. Here are some of them:

In the Hamilton-Collingwood area, Czech author and ski instructor Jozo Weider has accommodation for 125 persons, plus nine tows, at Blue Mountain Lodge, one mile west of Craigleith, Ont. He now has a one-tow commercial neighbor in the Happy Valley Lodge.

Farther south, two electric ski tows are being installed at Flesherton, Ont. The Hamilton Cedar Spring Ski Club is operating properties near Orangeville and, closer, at Cedar Springs. There are also trails in the Credit Forks and Caledon area.

Close to Toronto are the Toronto Ski Club's development at Summit, and the Northumberland Forest Ski Club which operates two tows nine miles north of Cobourg, Ont.

In the Lake of Bays area centred on Huntsville, a dozen establishments are now catering to the tourist. Among the operators are Limberlost Lodge, Tally Ho, Ski Jump Inn, Falcon Inn, and Great Bear Lodge. At Windermere, Ont., "The Baldwins" reports winter bookings better than ever before.

Farther north, at Sundridge, the Hotel Bernard is now going out after the winter resort business. Ski hills, slopes, and trails have been installed, as well as a rope tow with a full-time ski director in charge.

Farther north in Ontario a number of ski tows are to be found. The Fort William-Port Arthur region draws from the opposite direction — from Duluth, St. Paul, and Minneapolis.

The Ontario listing is by no means all-inclusive. For example, it should include, among others, skiing facilities in the Haliburton Region (Bellmont Lake and Highland Ski Club); Elgin House in the Muskoka district; Haileybury, which is staging a New Year's attraction for Toronto skiers this year; North Bay; Barrie; Owen Sound; Dagmar; and the Peterborough Ski Club's activities at Bethany.

In general, explains Clint Melville of the Ontario Department of Travel and Publicity, the Ontario terrain is more suitable for the family ski outing, rather than for the expert racer or jumper. As a tourist attraction, it hopes to be the winter counterpart of summer swimming. Enquiries reaching his department have risen from 200 three years ago to 5,000 last year.

Price-wise, the Ontario resorts range from $5 to $10 a day on the American plan, meals included.

Quebec's Prospects

In Quebec, the range in prices is greater. Accommodation and meals may be had in the Laurentians for as little as $4 a day or for as much as $20. In the region around Quebec City (Valcartier and Lac Beauport), $9 is said to be a good average. Eastern Townships would range from $5 to $12 on the American plan.

Here, too, prices are generally unchanged from last year.

With an eye to last year's inadequate snow, most activity in the Laurentian region centres on improvement of existing facilities and improving slopes so that they can be used even when there isn't much snow. There are now more than 700 hotels and hostelries in the area.

Development during the past year include the following:

A new trail has been cut from Ste. Agathe to Ste Marguerite. Gray Rock's Inn at Ste. Jovite has added a new chalet. Club Tremblant, a new development at Mont Tremblant, offers accommodation to an additional 40-50 persons, and work has been carried out to develop trails on the north-eastern side of the mountain. At St. Sauveur, Nymark Lodge has been enlarged. A new T-bar lift goes into operation at Chalet Cochand. St. Donat, accommodating 150 persons, will be open this year.

In the Quebec City region, Valcartier has seen major development which is said to now total $1 million, and the development of Lac Beauport is continuing. Chateau Frontenac, which operates the Ski Hawk School, will be offering an all-expense "package" to skiers this year.

The ski country of the Eastern Townships of Quebec is, in fact, a continuation of the Green Mountains of Vermont. Though snow conditions are not as assured as in the northern parts of the Laurentians, the area is gaining prominence and attracting visitors from nearby states. Last year, accommodation was opened at North Hatley, 11 miles from Sherbrooke, and there is speculation about the possible development of Mount Orford nearby.

Quebec's Gatineau Hills provide skiing grounds for Ottawa sportsmen, with Chelsea, Camp Fortune, Kingsmere, Wakefield, and Fairy Lake being the major sites.

Championships in the West

Skiing throughout Canada will get a boost this year from the publicity which will accompany the first World Championships ever held on this continent — jumping at Lake Placid, and the downhill slalom at Aspen, Colo. This will be particularly significant for Western Canada, since a substantial number of experts will proceed to Banff in March to compete in the North American championships being held in Canada for the first time. The actual site, Mount Norquay, is now equipped with a ski-tow. Banff itself has a skiing school, and special ski trains bring in Calgarians.

Jasper's ski area, about the same size as Switzerland, now has 100 miles of ski trails, but that is only a small portion of what could be developed. Within the next 10 years, a CNR official predicts, the Rockies will become one of Canada's major ski grounds.

But all this area, as well as the ski grounds around Vancouver, suffer from the fact that adjacent U. S. states have adequate mountains at home.

"Why," says a Vancouver tourist promoter, "would a Californian pass up Sun Valley, Ranier, or Mount Baker (all in U. S. part of Cordillera) to come here for winter sports?"

Tourist-wise, the coastal region relies much more heavily on its generally mild climate and winter golf to attract visitors. Before Christmas, the Prairie people start arriving — to the tune of 15,000 this year, according to predictions. Then, after Christmas, influx of 10,000 Ontario and Quebec visitors reaches its height.

Vancouver, however, remains an enthusiastic ski area. Evidence is the opening December 1 of a $100,000 lift which will carry visitors to the 3200-foot level on Grouse Mountain at a rate of 500 passengers an hour — making it one of the "Big Four" ski lifts on the North American continent. The Provincial Government has budgeted $328,000 to develop Mount Seymour nearby, and a chair lift is to be installed there in 1951. Hollyburn Ridge is another magnet within easy commuting distance of the city.

Bank Montreal Sets New Highs

Assets Over $2.1 Billions
Deposits Over $2 Billions
Total Loans at New Peak

Both assets and deposits of the Bank of Montreal passed the $2 billion mark in 1949 new year-end peaks, while loans established a new high record and earnings showed a substantial increase, the annual report of the institution for the year ended Oct. 31 reveals. Reserve fund was increased $4 millions.

Net earnings after making full provision for bad and doubtful debts, were over $10.1 millions an increase of over $1 million. Taxes took about $425,000 more than in 1948 and depreciation allowance on premises was about $233,000 higher, leaving net profits of over $5.8 millions ($5.4 millions in 1948). Net profits equalled $1.62 a share, up 10 cents a share from the previous year. Total dividends took $3.6 millions same as in 1948, leaving surplus for the year at $2.2 millions ($1.8 millions last year). Dividends paid in 1949 and 1948 were 80 cents regular and 20 cents extra.

INCOME ACCOUNT

Years Ended:	Oct. 31 1949	Oct. 30 1948
Net earnings	$10,193,675	$9,178,501
Less: Prov. for taxes	3,405,000	2,980,000
Res. for bk. prem.	972,105	738,831
Net profit	5,816,570	5,459,670
Less: Dividends	3,600,000	3,600,000
Surplus for year	2,216,570	1,859,670
Earnings per Share and Dividend Record:		
Earned	$1.62	$1.52
Paid	0.80+0.20	0.80+0.20

Total assets at $2,139 millions were about $148.3 millions higher. Quick assets, including cash assets, investments and call loans were over $1,602 millions, equal to 78% of all public liabilities (78.15% in 1948), maintaining the traditionally strong liquid position of the bank.

Commercial and other loans reached a new high year-end figure of $487 millions, an increase of $31 millions. Call loans rose $17 millions to $48 millions.

Investments totaling $1,168 millions were about $36 millions higher. Holdings of government securities showed a moderate increase, while other bonds, debentures and stocks were somewhat lower than at the end of the previous year. A rise of over $2.4 millions in premises account reflects the opening of a number of new branches and expansion and modernization of existing premises to handle the increased volume of business. This program included completion of the bank's new 16 story Toronto building, opened for business during the year. Out of profit and loss balance, $4 millions was transferred to reserve, bringing the total rest or reserve account to $48 millions, exceeding paid up capital by $12 millions.

CONDENSED BALANCE SHEET

As at:	Oct. 31 1949	Oct. 30 1948
Cash on hand, etc.	$268,151,424	$245,134,980
Notes & chgs on other banks	117,878,643	81,474,361
Call & short loans	48,174,653	31,177,918
Govt. & other public secs.*	1,044,968,842	1,003,513,939
Other securities*	122,917,348	129,037,999
Tot. quick assets	1,602,090,910	1,490,339,197
Loans & discts.	487,352,653	456,266,244
Bank premises	17,850,169	15,391,605
Letters of credit	28,820,653	25,290,033
Other assets	3,573,878	4,093,569
Total assets	2,139,688,263	1,991,380,648
Circulation	3,621,916	4,244,517
Deposits	2,019,142,697	1,877,011,227
Letters of credit	28,820,653	25,290,033
Other liabs.	2,947,186	1,895,630
Total liabs. to public	2,054,532,452	1,908,441,407
Reserve	48,000,000	44,000,000
Capital	36,000,000	36,000,000
Surplus	†1,155,811	2,939,241
Total liabs. to sh'holders	85,155,811	82,939,241

*Not exceeding market value.
†After transfer of $4,000,000 to reserve fund.

Alta. Hail Ins. Board Pays $66,000 Dividend

From Our Own Correspondent

CALGARY — Seven thousand policyholders with the Alberta Hail Insurance Board will share a dividend of $66,000.

The dividend, being paid for the second year, goes to all policyholders who paid premiums by Nov. 1 and who did not file a hail damage claim during the year. The dividend is figured at 10% of premium paid.

Those who paid cash for their hail insurance will receive an additional 5% premium if no claims were filed.

Last year the hail board paid out dividends totaling $40,000.

PACIFIC PETROLEUMS reports a balance of 2,000 shares under option to certain employees of the company at $1.50 a share has now been taken up. Issued capital is 3,585,600 shares, leaving 1,414,400 in treasury.

Staff Changes

Chartered banks announce the following staff changes:

Montreal:

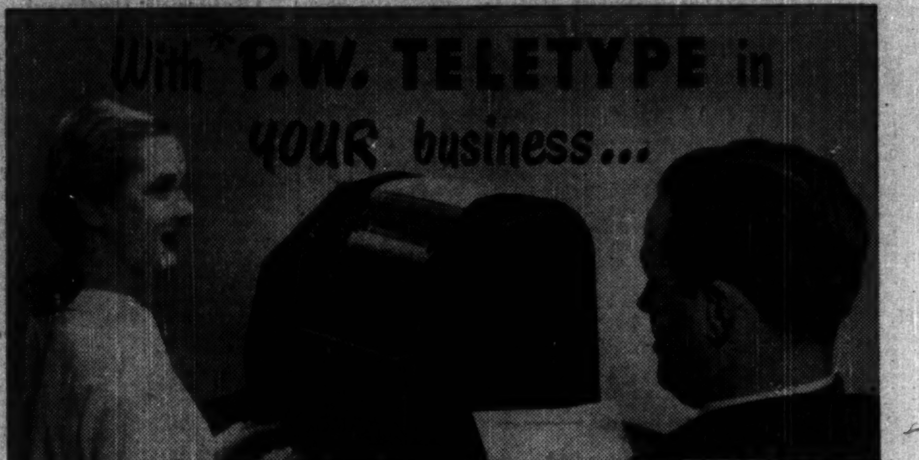
W. FAIRBAIRN, manager, Portage Ave. and Vaughan St., Winnipeg, to be manager, Lethbridge, Alta.

R. E. TOWNSEND, an assistant manager, Winnipeg, to be manager, Beaver Hall, Montreal.

L. F. HAWITT, manager, Beaver Hall, Montreal, to be manager, Portage Ave. and Vaughan St., Winnipeg.

F. E. SCOTT, accountant, Broadway and Main St., Vancouver, to be manager, Alberni, B.C.

SUPERIOR OILS informs The Toronto Stock Exchange that by agreement dated Nov. 21, Hall Securities of Vancouver and associates have underwritten 500,000 shares at 35 cents a share, payable $35,000 cash and balance in one month and have optioned 100,000 shares at 50 cents and 100,000 shares at 60 cents, exercisable within one year. Upon issue of first 100,000 underwritten shares, issued capital will be 2,900,000 shares, leaving 1,100,000 in treasury.



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ON DOMINION SQUARE
J. ALDERIC RAYMOND, PRESIDENT

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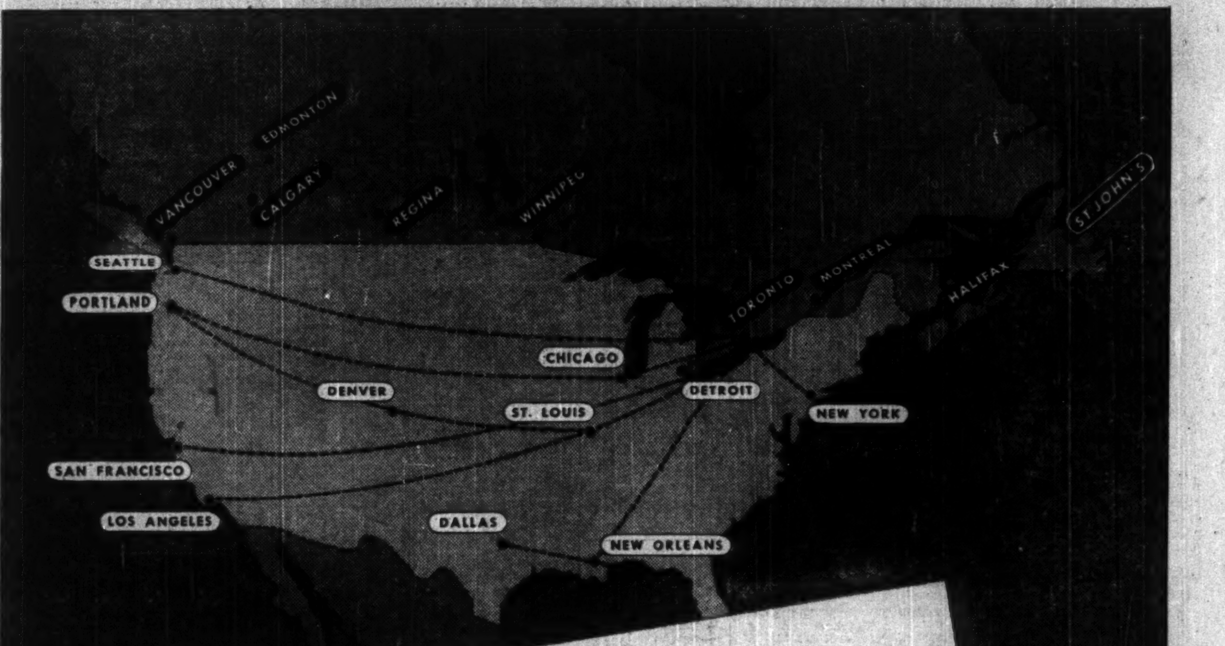

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PHILIP B. TOLLER President
D. M. COOLICAN Vice-President and Secretary
FREDERICK E. LAVIS Manager of Sales

DIVIDEND NOTICES

THE CANADIAN BANK OF COMMERCE

NOTICE is hereby given that an extra distribution of TWENTY CENTS per share on the paid-up Capital Stock of this Bank has been declared for the year ending 31st October, 1949, and that the same will be payable at the Bank and its Branches on and after TUESDAY, the THIRD day of JANUARY, 1950, to Shareholders of record at the close of business on 30th November, 1949. The Transfer Books will not be closed.

By Order of the Board.

JAMES STEWART,
General Manager.

Toronto, 18th November, 1949.

Anglo-Huronian Limited

DIVIDEND NO. 53

NOTICE IS HEREBY GIVEN that a dividend of Fifteen Cents (15c) per share, in Canadian Funds, on the issued capital stock of the Company has been declared payable January 20th, 1950, to shareholders of record at the close of business January 3rd, 1950.

J. INGRAM,
Secretary-Treasurer.

Toronto, November 22nd, 1949.

Verney Corporation of Canada Ltd.

DIVIDEND NOTICE
PREFERRED SHARES

NOTICE IS HEREBY GIVEN that a regular quarterly dividend of 1⅛% (56c) per share has been declared on the outstanding 4½% Cumulative Redeemable Preferred Shares, payable January 1, 1950, to Shareholders of record at the close of business on December 15, 1949.

JOHN G. PORTEOUS, K.C.,
Secretary.

MONTREAL, P.Q., Nov. 18, 1949.

NATIONAL STEEL CAR CORPORATION LIMITED

NOTICE OF DIVIDEND

Notice is hereby given that a dividend of thirty-seven and one-half cents (37½c) per share has been declared for the quarter ending December 31, 1949, payable on January 14, 1950, to shareholders of record at the close of business December 15, 1949.

By Order of the Board.

H. J. FARNAN,
Secretary.

Belgium Glove & Hosiery Co. of Canada Ltd.

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a regular quarterly dividend of 1¾% on the Preferred Shares and a dividend of 15c on the Common Shares have been declared, payable January 2nd, 1950, to Shareholders of record at the close of business December 15th, 1949. Cheques will be mailed in payment. Transfer books will not close.

By Order of the Board,

JOHN G. PORTEOUS, K.C.,
Secretary.

Montreal, November 21st, 1949.

British Columbia Forest Products Limited

NOTICE OF DIVIDEND NO. 5

At a meeting of the Board of Directors a Dividend of Fifteen Cents (15c) per Share on the issued Ordinary Capital Stock of this Company was declared payable in Canadian funds on February 1, 1950, to shareholders of record at the close of business December 30, 1949.

Such Dividend will be paid in respect of the Shares specified in any bearer share warrants of the Company upon presentation and delivery of Coupon No. 5 at the Main Offices of the Royal Bank of Canada in Vancouver, Montreal, Toronto, Halifax and Saint John on or after February 1st, 1950.

By Order of the Board.

T. L. DANIELS,
Secretary.

Vancouver, B.C.,
November 22, 1949.

Montreal Locomotive Works, Limited

DIVIDEND NO. 15

For the quarter ending December 31st, 1949, the Directors of Montreal Locomotive Works, Limited, declared a dividend of forty cents (40c) per share on the Common Stock of the Company, plus a special year-end distribution of twenty-five cents (25c) per share, both payable January 3rd, 1950, to holders of record at the close of business on December 2nd, 1949, subject to the approval of the Foreign Exchange Control Board.

CARL A. SUNDBERG,
Secretary.

November 22, 1949.

NOTICE OF DIVIDEND

Famous Players Canadian Corporation Limited

NOTICE is hereby given that a dividend of Twenty-five Cents (25c) per share has been declared for the quarter ending December 31st, 1949, on all issued common shares of the Company, payable on Saturday the 24th day of December, 1949, to shareholders of record at the close of business on Friday, the 9th day of December, 1949.

By order of the Board,

N. G. BARROW,
Secretary.

TORONTO, November 22nd, 1949.

Mersey Paper Company Limited

DIVIDEND NO. 8
PREFERENCE SHARES

NOTICE IS, HEREBY GIVEN THAT a regular quarterly dividend of $1.125 per share on the Preference Shares of the Company has been declared payable January 2nd, 1950, to shareholders of record at the close of business on December 10th, 1949.

DIVIDEND NO. 5
COMMON SHARES

NOTICE IS ALSO HEREBY GIVEN THAT a dividend of Fifty Cents (50c) per share on the Common Shares of the Company has been declared payable January 2nd, 1950, to shareholders of record at the close of business on December 10th, 1949.

By Order of the Board,

J. A. PARKER,
Secretary.

Liverpool, Nova Scotia,
November 25th, 1949.

DIVIDEND NOTICES

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

TUESDAY, THE THIRD DAY OF JANUARY

next, to Shareholders of record at the close of business on the Fifteenth day of December, 1949.

By order of the Board.

J. W. ROSE, Jr.,
Secretary.

TORONTO, November 16th, 1949.

DONNACONA PAPER COMPANY LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of $1.125 per share has been declared on the Cumulative Convertible Redeemable Preferred shares of the Company for the quarter ending February 15th, 1950, payable February 15th, 1950, to shareholders of record on the 16th day of January, 1950.

By Order of the Board.

P. L. FITZGERALD, C.G.A.,
Secretary.

DIVIDEND NOTICE

International Paints (Canada) Limited

A half-yearly Dividend of 3% for the six months ended September 30th, 1949, has been declared on the new 6% cumulative participating preferred stock of the Company, payable on January 14th, 1950, to Shareholders of record at the close of business on December 20th, 1949.

By Order of the Board,

D. R. W. McKEAN,
Secretary-Treasurer.

Montreal, November 21st, 1949.

CATELLI FOOD PRODUCTS, Limited

Common Dividend Notice No. 22

Notice is hereby given that a dividend of Seventy-Five Cents (75c) per share has been declared on the no par value common stock of the Company for the six month period ending November 30th, 1949, payable on November, 30th, 1949, to shareholders of record November 23rd, 1949.

By Order of the Board.

ROMEO DESJARDINS,
Secretary-Treasurer.

THE FOUNDATION COMPANIES CANADA

DIVIDEND NOTICE

Notice is hereby given that a Dividend of thirty-five cents ($0.35) per share for the quarter ending December 31, 1949, has been declared on the No Par Value Common Stock of The Foundation Company of Canada Limited, payable January 20, 1950, to shareholders of record at close of business on December 30, 1949.

By Order of the Board.

A. G. SULLIVAN,
Secretary.

Montreal,
November 23, 1949.

R.L.CRAIN LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of ten cents (10c) per share on the Capital Stock of the Company has been declared for the quarter ending December 31, 1949, payable on and after the 3rd day of January, 1950, to holders of record at the close of business on the 15th day of December, 1949.

By Order of the Board.

HENRY R. NURRISH,
Secretary-Treasurer.

Dated at Ottawa this 18th day of November, 1949.

COCHENOUR WILLANS GOLD MINES, LIMITED

(No Personal Liability)
DIVIDEND NOTICE
INTERIM DIVIDEND NO. 16

NOTICE IS HEREBY GIVEN that an interim dividend of four cents per share in Canadian funds has been declared on the issued capital stock of Cochenour Willans Gold Mines Limited (No Personal Liability) and will be paid on the 29th day of December, 1949, to shareholders of record at the close of business on the 13th day of December, 1949.

By Order of the Board.

G. M. HUYCKE,
Secretary.

Toronto, Ont., 23rd November, 1949.

THE BELL TELEPHONE COMPANY OF CANADA

NOTICE OF DIVIDEND

A quarterly dividend of fifty cents on each share of $25.00 par value has been declared payable on the 16th day of January, 1950 to shareholders of record at the close of business on the 15th day of December, 1949.

Montreal, Nov. 21, 1949

S. C. SCADDING
Secretary

GATINEAU POWER COMPANY

Notice of Dividend on 5% Cumulative Preferred, 5½% Cumulative Preferred and Common Shares

Quarterly dividends have been declared of $1.25 a share on the 5% Cumulative Preferred Shares, $1.38 a share on the 5½% Cumulative Preferred Shares, and 30c a share on the Common Shares, in each case payable January 1, 1950, to holders of record at the close of business December 1, 1949. Cheques in payment will be mailed. Stock Transfer Books will not be closed.

J. R. BINKS,
Secretary.

Montreal, Canada,
November 14, 1949.

DIVIDEND NOTICES

NOTICE OF DIVIDEND

JOHN LABATT LIMITED

Notice is hereby given that Dividend No. 20 of twenty-five cents per share has been declared on the outstanding no par value common stock of the Company, payable on the Third day of January, 1950, to shareholders of record the Fifteenth day of December, 1949.

By Order of the Board.

JOHN S. LABATT,
President.

London, Ontario,
November 21, 1949.

DOMINION COAL COMPANY, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of 37 cents per share on the outstanding 6% Cumulative Sinking Fund Preferred Stock of this Company has been declared payable on December 22, 1949, to shareholders of record at the close of business on November 30, 1949, said dividend being on account of arrears of accumulated dividends.

By Order of the Board.

R. C. McDONALD,
Secretary.

Montreal, Quebec,
November 18th, 1949.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

Canada Northern Power Corporation, Limited

The Board of Directors has declared this day the following dividend:

No par value Common Stock

No. 82, quarterly, 15c per share, payable January 25th, 1950, to shareholders of record at the close of business on December 20th, 1949.

L. C. HASKELL,
Secretary.

Montreal, November 22nd, 1949.

EAST LEDUC Oil Company Limited

Calgary Alberta

DIVIDEND No. 4

NOTICE is hereby given that a dividend of One and one-half Cents (1½) per share has been declared on the outstanding Capital stock of this company, payable January 3rd, 1950, to shareholders of record at the close of business on the 15th day of December, 1949.

By Order of the Board,

(Signed) JOHN W. LEHMAN,
Secretary-Treasurer.

Dated at Calgary, Alberta,
November 10th, 1949.

LEDUC-WEST Oil Company Limited

Calgary Alberta

DIVIDEND NO. 3

NOTICE is hereby given that a dividend of Four Cents (4c) per share has been declared on the outstanding Capital stock of this Company, payable January 3rd, 1950, to shareholders of record at the close of business on the 8th day of December, 1949.

By Order of The Board

(Signed) JOHN W. LEHMAN,
Secretary-Treasurer

Dated at Calgary, Alberta,
November 19th, 1949.

PENMANS LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that the following Dividends have been declared for the quarter ending the 31st day of January, 1950.

On the Preferred Stock, one and one-half per cent (1½%), payable on the 1st day of February to Shareholders of record of the 3rd day of January, 1950.

On the Common Stock, seventy-five cents (75c) per share, payable on the 15th day of February to Shareholders of record of the 16th day of January, 1950.

By Order of the Board.

L. P. ROBERTON,
Secretary-Treasurer.

Montreal,
November 25, 1949.

THE SHAWINIGAN WATER AND POWER COMPANY

NOTICE is hereby given that a dividend of thirty cents (30c) per share has been declared on the no par value common shares of the Company for the quarter ending December 31, 1949, payable February 25 to shareholders of record January 17, 1950.

By Order of the Board.

J. L. T. MARTIN,
Secretary.

Montreal, November 28, 1949.

THE SHAWINIGAN WATER AND POWER COMPANY

NOTICE is hereby given that a dividend of fifty cents (50c) per share has been declared on the Series "A" 4% Cumulative Redeemable Preferred Shares of the Company for the quarter ending December 31, 1949, payable January 2, 1950, to shareholders of record December 2, 1949.

By Order of the Board.

J. L. T. MARTIN,
Secretary.

Montreal, November 28, 1949.

Ottawa Rejects UN Plan For Food Clearing House

OTTAWA (Staff) — In Washington last week, Canada joined with Britain and United States in knocking on the head a proposed multibillion-dollar scheme for solving world food surplus problems through an international clearing house.

The United States took the lead in opposing the proposed clearing house. U. S. delegate Stanley Andrews told the Food and Agriculture Conference his country could not accept non-convertible currencies in payment for farm surpluses and hold these payments until they could be made good at a later date. Acceptance of non-convertible currencies was one of the twin planks on which the FAO clearing house plan was built.

Dangers to Avoid

Britain asked that a committee be named to study the proposed plan but made it clear that three dangers must be avoided:

1. The clearing house must not accumulate sterling in such a way as to impose an additional strain on the future strength of British currency.

2. The clearing house must not increase the use of blocked currencies which would hamper the flow of trade.

3. The clearing house should not prevent specific commodity agreements from being negotiated by individual countries or else having commodity arrangements on specific items such as the international wheat agreement.

Canada, through Agriculture Minister Gardiner, indicated this country was interested in the plan but "while endorsing the principle underlying this proposal, we are not in agreement with the means which it has been suggested are necessary to reach the objectives."

Earlier in the Washington meeting, a group of economic experts who had been asked by FAO to examine the plan, made it clear that there were more flaws to the scheme than its sponsors had suggested. The experts pointed out a number of weaknesses and difficulties in administration. Against this, the FAO administration itself strongly supported the project.

Fed'l Services Re-allocated New Depts.

OTTAWA (Staff) — Distribution of federal services under the three proposed new government departments, was disclosed this week in Parliament:

Resources and Development — forests, irrigation, national parks, water power, archeology, tourist services, housing, Northwest Territories administration, crown lands, The National Museum and the Trans-Canada highway.

Mines and Technical surveys — mineral production, maps and geological and topographic surveys, mineralogical research and the Dominion Observatory.

Citizenship and Immigration — Immigration and colonization Indian affairs, naturalization and citizenship.

At present, Mines and Resources, regarded as the most unwieldy in the government, handles immigration, Indian affairs and the Northwest Territories in addition to Mines and Resources.

DIVIDEND NOTICES

Dominion Glass Company Limited

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of December, 1949.

Notice is also hereby given that a dividend of Twenty-five cents (25 cents) per share has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of December, 1949.

Notice is also given that an extra dividend of One Dollar and Twenty-five Cents ($1.25) per share has been declared on the COMMON STOCK of the Company.

The above Dividends will be paid on Monday, the 16th day of January, 1950, to shareholders of record at the close of business Thursday, the 29th day of December, 1949.

By Order of the Board.

F. N. DUNDAS,
Secretary.

Montreal, 23rd November, 1949.

NOTICES

THE DOMINION BANK

Notice of Annual General Meeting

The Annual General Meeting of the Shareholders will be held at the Head Office of the Bank, King & Yonge Streets, Toronto, on Wednesday, the fourteenth day of December next, at 2.30 o'clock p.m.

By Order of the Board.

A. C. ASHFORTH,
General Manager.

Toronto, 13th October, 1949.

Any New Suits Will Be Fought Grain Co. Says

From Our Own Correspondent

WINNIPEG — The amount of grain expected to be handled by the Federal Grain Co. during this crop year will be considerably less than the volume handled during the past season, President H. E. Sellers told shareholders at their annual meeting last week.

The widespread drought in large areas of Alberta and Saskatchewan will make the 1949-50 volume of grain handled by the company smaller than in the preceding year.

In reply to a question, it was stated that H. G. Stapells, K.C. of Toronto had threatened suit to have set aside certain transfers of 20,229 class "B" shares but that the company would definitely contest any suit that might be taken. The former lawsuit against the company, started April 1, 1948, by a minority group of holders was dismissed with the consent of all parties. (The Financial Post, Oct. 22.)

Now's Time To Push Sales To U. S.—Exporters Ass'n.

With the U. S. Government apparently committed to more liberal trade and tariff policies, new opportunities may be opened up for Canadian business in U. S. Urging exporters to direct new attention to American sales, the Canadian Exporters Association this week sent out to its 500 members a detailed survey of the U. S. market, prepared by its Toronto manager, Frank C. Dimock. Here is a digest:

By FRANK C. DIMOCK

Canada's 1948 deficit on current account with U. S. was $401 millions; this year it will probably exceed $650 millions. With the drying up of dollar income from other countries, Canada must sell more to United States or artificially reduce her accustomed purchases there.

Although isolationist mercantile philosophy in U. S. remains widespread, recent statements by top-ranking American officials show that the U. S. Government has definitely committed itself to a revolutionary change in tariff and trade thinking. If this is fulfilled by governmental action, then the U. S. market will be of supreme importance to all Canadians.

Canadian exporters, therefore, should investigate, or re-examine the U. S. market now. In addition to the principal considerations already mentioned there are five good reasons why exporters should take a look at the market:

1. Devaluation of the Canadian dollar provides an opportunity which should be seized now.

2. An existing and potential demand in the U. S. economy for a larger volume of goods and services than is now or ever has been available, as pointed out by the ECA Economic Mission.

3. Potential rewards for gaining entry into the market make insignificant the cost and effort of investigating that possibility. The tremendous purchasing power of U. S. ensures large orders if laid-down prices and/or quality are attractive. Product adaptation to U. S. tastes or requirements is easily attainable.

4. Canadians are well equipped to tackle the U. S. market due to our proximity to it. In general we know American tastes, competition and sales methods better than any other country. We are often closer to concentrations of U. S. buying power than some of our U. S. competitors making sales and servicing easier.

5. Canada's import controls contain an element of bonus to Canadian firms importing manufactures or components who can increase U. S. dollar sales of their own or allied Canadian products.

Then, consider these marketing facts:

Canada's richest and biggest export market lies just across the Great Lakes; those states touching the Lakes support 39.6% of the entire U. S. population and hold 43% of its buying potential.

Allowing for differences in purchasing power of the respective dollars, each of the 7 leading U. S. marketing areas exceeded in 1948 the whole of Canada by way of retail sales, as did each state of New York, Pennsylvania, Illinois, Michigan, Ohio, California.

Retail sales in Washington State are eight times those of British Columbia, in Oregon four times, in California, 30 times. B. C. businessmen know their neighbors in Washington better than their neighbors in Alberta.

What Products?

These considerations noted, what products can Canada sell?

We cannot hope to sell mass-produced merchandise in competition with such or similar U. S. goods (e.g. standard electrical appliances, furniture, clothing accessories). But products of superior quality or so specialized that price is not necessarily the prime consideration (e.g. footwear, blankets, wool knit hose, high-grade luggage, winter sports goods and wear, distinctive novelties and curios) may move well in the U. S. market. It should be noted that a great portion of U. S. buying power is located in climate similar to that of Eastern Canada.

Subsidiaries in Canada of U. S. firms can sell to their parent certain component parts or one model of a line where unit costs in Canada become favorable due to the increased volume.

There are many Canadian products subject to low rates of duty which should be able to compete on a price basis in the U. S. market. Among items on which U. S. tariff rate is 15% ad valorem or below are:

Fish paste; flavors; wood screws; toboggans; honey; blotting paper; brooms; sandpaper; certain furs; hair felt; wax candles; wood veneers; horsehide and cowhide leathers; electric stoves and ranges; smoked pollock over 9c per lb.; wheat unfit for human consumption.

Canada was the principal supplier to U. S. in 1948 (each in value of $10,000 or more) of such items as:

Hides; leather; leather slippers; fish scrap meal; linseed oil cake and meal; mixed feeds; jams and jellies; jute waste; flaxseed; wood handles; printed hanging paper; aluminous abrasives; carburetor engines; typewriters; synthetic iron oxide; peat moss fertilizer; pipe organs; printing ink; lobsters; canned lobsters; whitefish; lake trout; chicken eggs; hay; oats; barley malt; grain chaff; turnips; seeds; whisky; apple cider; rubber scrap; jute and wool waste; lumber and logs; wood forks and spoons; pulpboard in rolls; steel rails; ferrochrome; acetic and sulphuric acid; prepared fertilizers; single-ply binding twine.

We were second or third ranking supplier and seemingly in a position to improve that rank of important quantities of such items as:

Fireworks; sausage casings; non-edible gelatin; leather shoes; certain leather gloves; hard fibre cords and twines; knit wool hose over $3 per dozen; wool infants' outerwear; body support garments; type metal; sardines; cod; meat extract; baked articles; edible onions.

How To Sell In U. S.

How should Canadian exporters go about selling these products? There are three golden rules: 1. Analyze carefully; 2. Sell aggressively; 3. Service efficiently.

Analysis: Study market characteristics and distributive techniques as applied to products such as yours. Select competent advertising agents, and choose distributors or other outlets carefully.

Sales: The U. S. is primarily a quality market-finish, exclusiveness and presentation are important in developing sales. The American will buy what he sees.

Service: Meet delivery promises. Hold in places readily accessible to U. S. distributive channels adequate inventories for replacement of stocks sold.

THE CANADIAN BANK OF COMMERCE

The annual meeting of the shareholders of this Bank, for the election of Directors and for other business, will be held at its banking house, number twenty-five King Street West, Toronto, on Tuesday, the thirteenth day of December next.

The chair will be taken at eleven o'clock a.m., Eastern Standard time.

By Order of the Board.

JAMES STEWART
General Manager

Toronto, 7th October 1949.

TCA-Colonial Decision Near

OTTAWA (Staff)—Still buffeted in United States courts is the explosive issue of whether or not Colonial Air Lines is to retain its exclusive franchise to fly between Montreal and New York.

At mid-week, Canadian authorities were awaiting word of a reserved decision which would indicate whether Colonial would be permitted further delay proceedings, pending an appeal to higher U. S. courts.

If Colonial's restraining order is not upheld further and the case dismissed C.A.B. will be free to implement the New York agreement of last June for enlarging the New York-Montreal run to include T.C.A.

However, there must be a 20-day waiting period to allow further objection. After this Colonial can, and doubtless will appeal the case to a higher court.

Canada has been granting special extensions to the U. S. of Gander airport rights pending settlement of this litigation. Canada's next move will doubtless depend on the outcome of the present judgment.

RAMSDEN PARK APARTMENTS LTD. annual report for the year ended Oct. 31, 1949, shows a net loss of $2,188. Income totaled $18,345, operating expenditures $10,588, bond interest $6,750 and depreciation $3,195. The balance sheet shows a deficit account balance of $19,534 at Oct. 31, 1949 ($17,339 at Oct. 31, 1948).

Grain Prices

Chicago Futures

Week to Nov. 28, 1949

Crop year from Aug. 1, 1949 High	Low		High for week	Low for week	Close Nov. 28
		Wheat—			
2.17¼	1.81	Dec. ...	2.17¼	2.13	2.16¾
2.18¾	1.86	Mar. ...	2.18¾	2.14¾	2.18
2.14	1.19¼	May ...	2.14	2.11⅜	2.13¼
1.97¼	1.64	July ...	1.95	1.92⅜	1.94⅜
		Corn—			
1.36¼	1.00¼	Dec. ...	1.30⅜	1.26¼	1.30¼
1.32¼	1.13¼	Mar. ...	1.32¼	1.28⅜	1.31⅜
1.32¼	1.15⅜	May ...	1.32¼	1.28¼	1.31⅜
1.30⅜	1.19	July ...	1.30⅜	1.27⅜	1.30
		Oats—			
.77	.54¼	Dec. ...	.77	.74⅜	.77
.75⅜	.62⅜	Mar. ...	.75⅜	.72⅜	.75
.71¼	.59⅜	May ...	.71¼	.69	.71¼
.65¼	.56¼	July ...	.65¼	.62¼	.65¼
		Rye—			
1.63	1.33¼	Dec. ...	1.38¼	1.30¼	1.37⅜
1.59½	1.42	May ...	1.45⅜	1.38¼	1.45
1.51⅜	1.39	July ...	1.46¼	1.39¼	1.46¼
		Soybeans—			
Dec.			2.31⅜	2.24¼	2.29⅜
Mar.			2.34	2.26	2.32
May			2.31	2.25⅜	2.29¼
July			2.28	2.23¼	2.26

Chicago Cash

	For Week Nov. 28 High	Low	Prev. Week High	Low
Corn—				
3 Yel.	1.33¼	1.26	1.17¼	1.13⅜
Oats—				
1 H. Wh.	.79¼	.77	.78	.76¼

Winnipeg Futures

Week to Nov. 28, 1949

Crop year from Aug. 1, 1949 High	Low		High for week	Low for week	Close Nov. 28
		Oats—			
.83	.69¼	Dec. ...	.82⅜	.80¼	.82⅜
.81⅜	.69⅜	May ...	.81¼	.79⅜	.81¼
.79⅜	.76¼	July ...	.78¼	.76¼	.78⅜
		Barley—			
1.48⅜	1.10¼	Dec. ...	1.43¼	1.38⅜	1.43⅜
1.45⅜	1.09¼	May ...	1.41⅜	1.37⅜	1.41⅜
1.41¼	1.27¼	July ...	1.33¼	1.27⅜	1.23¼
		Rye—			
1.58⅜	1.30	Dec. ...	1.52	1.43¼	1.52
1.61¼	1.22¼	May ...	1.56¼	1.48¼	1.50¼
1.57¼	1.42¼	July ...	1.53¼	1.44¼	1.53¼
		Flax—			
3.80	3.30	Dec. ...	3.80	3.75	3.79⅜
3.74	2.93	May ...	3.74	3.73	3.73
3.70	3.63	July ...	3.70	3.70	3.70

Winnipeg Cash

	For Week Nov. 28 High	Low	Prev. Week High	Low
Oats—				
2 C. W.	.85¼	.82⅜	.85⅜	.84¼
3 C. W.	.81⅜	.80¼	.83⅜	.81¼
Barley—				
1 Feed	1.40¼	1.36⅜	1.46¼	1.41⅜
2 Feed	1.38	1.34⅜	1.42⅜	1.39¼
1 Malt	1.61⅜	1.57⅜	1.65¼	1.62⅜
Rye—				
2 C. W.	1.51⅜	1.45¼	1.49⅜	1.45⅜
Flax—				
1 C. W.	3.79⅜	3.74⅜	3.80	3.75⅜

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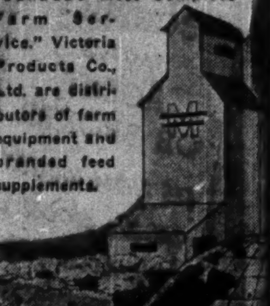
COMPLETE WORLD-WIDE FACILITIES

Manufacturers of famous "Victoria" livestock feeds . . . specialists in forage and pea seeds . . . offering complete grain and seed handling facilities, McCabe's provide "Canada's Most Complete Farm Service." Victoria Products Co., Ltd. are distributors of farm equipment and branded feed supplements.



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WINNIPEG
ST. BONIFACE · BRANDON · REGINA
SASKATOON · EDMONTON · CALGARY
VANCOUVER · DULUTH · MINNEAPOLIS

WESTERN SAVINGS & LOAN ASSOCIATION
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BRANCH OFFICES
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221 A-8th Ave., W., Calgary, Alta. 407 Avenue Building, Saskatoon, Sask.
1 Royal Bank Building, Brandon, Man.

Western Grain Co. Ltd.
WINNIPEG — CANADA
COUNTRY ELEVATORS — MAN., SASK. & ALTA.
TERMINAL ELEVATOR — FT. WILLIAM, ONT.
GRINDING PLANTS and FEED MILLS
GRAIN SHIPPERS - EXPORTERS - GRAIN FUTURES

N. M. PATERSON & COMPANY LTD.
Own and Operate
Terminal Elevators in Fort William
109 Country Elevators
Total Storage Capacity 12,000,000 bus.
31 Vessels on the Great Lakes
Total Carrying Capacity, 4,500,000 bus. per trip
Head Office: FORT WILLIAM, ONT.
609 Grain Exchange, Winnipeg

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GRAIN FUTURES
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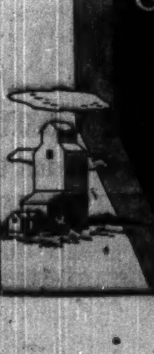

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TORONTO

Accident, Other Insurance Agents Plan Special Course of Education on Service

The services the present-day insurance agent renders indicate why he is often referred to as an insurance counsel, T. H. Bell, assistant general manager of the General Accident Assurance Co. of Canada, stated in an address recently. Mr. Bell emphasized that his remarks regarding agents and insurance referred to classes of insurance other than life. With the tightening up of government regulations for applicants for insurance agents' licenses and weeding out of undesirable individuals, the calibre of the insurance agency force has steadily limproved, said Mr. Bell. Here is a digest of his address:

By T. H. BELL

Through the years, facilities for the education in insurance matters have increased. Insurance companies have field men going about the country, calling on agents, explaining coverages provided by new forms of policies, assisting in sales, and rendering such other services as the agent may need. Many companies also conduct schools which provide regular courses of lectures by company representatives.

Further, the Insurance Institute of Ontario, in co-operation with the University of Toronto, has made available a four-year correspondence course which leads to a fellowship in the Institute.

At the last annual meeting of the Ontario Insurance Agents' Association, Mr. Brake, the manager, advised that two members of his association had attended a course at the University of Connecticut, and as a result of their report, combined with a three-year observation of other short courses of a similar nature, Western University has been approached and agreed to operate a similar course in July, 1950.

The following remarks of Mr. Brake are significant:

"The course we plan will be similar to the American one, though we are stressing the 'public service' motive in striving for agency efficiency rather than streamlined salesmanship."

This is not a statement made by an agent for public consumption. It is a report made by the manager of an agents' association to members of that association. It must be comforting to purchasers of insurance to know that the public service motive is considered by those gentlemen to be paramount.

Ontario Agents Association

For many years there has been a strong association of insurance agents operating as the Ontario Insurance Agents Association. There are also local Agents Associations in all important centres in Ontario, and despite the intensely competitive nature of the insurance business, many local associations claim as members all agents in their particular district.

An example of the educational work at least one of these associations has accomplished is the one-day congress organized by the Hamilton Insurance Agents' Association in December, 1948. There were two lectures in the morning, a luncheon, and two lectures in the afternoon. An ambitious undertaking for a local association. Prominent speakers attended from distant points, and the affair was in every respect a complete success; so that it is being repeated in December, this year.

Little wonder the present-day insurance agent is often referred to as an insurance counsel. He studies the needs of clients and explores insurance markets to meet those needs with the best possible forms of coverage on terms that are reasonable, having regard to the security and service he knows his clients must have. He has available the services of engineers and others who by suggesting improved methods of operation, installation of fire prevention appliances, etc., help to reduce the cost of insurance.

Service When Losses Occur

It is appropriate at this time to mention the service rendered by the up-to-date agent when losses arise. After a great many years' experience in the claims end of our business I cannot overemphasize the services rendered by competent agents in times of trouble.

Few people are thoroughly familiar with the terms and conditions of their policies, and few know just what ought to be done when an accident or fire occurs. A telephone call to your insurance counsel is all that is necessary to get complete directions as to what to do, when and how to do it. If you are puzzled about the extent to which you ought to be indemnified, your agent will tell you.

That these men are insurance counsel in the opinion of insurance companies is attested to by an advertisement which appeared in a recent issue of one of our leading magazines. The message is from an insurance company to members of the insuring public, says in part — "Consult your agent or broker as you would your doctor or lawyer."

I hesitate to say anything which might be construed as driving business away from the door of any agent who might be present. Nevertheless, it is a fact that today many established offices find their time almost completely taken up in servicing business already on the books. In some offices that condition prevails to the extent that solicitation of new accounts is regarded as of secondary importance, and is only undertaken where principals are satisfied that new business can be handled without unfavorable effect on the ability to serve existing clientele.

The Citizen-Agent

At this point it is interesting to consider your agent as a citizen. What sort of a man is he? How does he accept his responsibilities as a citizen and a member of his community?

Usually he is interested in the work of his church. He is likely to be a member of the local hospital board. Since he is usually a family man, he will be interested in education. You will find him taking part in the affairs of the Home & School Club. Each of the service clubs has its quota of insurance members. He is interested in appeals such as the Red Feather and Red Cross. A man with a strong sense of civic duty, he may be a member of the town council or on the board of one or more of the public utilities.

There are cynics who will say the agent is this sort of a fellow because it helps his business. I believe that because he is engaged in rendering service and because he likes to fraternize with people, he finds a joy in doing these things, and if flowing out of his activities and associations he does reap a benefit, who would begrudge it?

One more point of major importance. As of June, 1949, there were over 6,700 fire and casulty agents licensed to do business in Ontario, and something over 200 insurance companies. The insurance business is a long way from being a monopoly. There is a healthy and vigorous competition, very definitely all to the good so far as purchasers of insurance are concerned. It is important, therefore, to keep in mind one fact: that the insurance agent is an integral part of the free enterprise system. He is close to the insuring public. He knows and can anticipate their insurance requirements, and when he discovers a real need for an unusual type of insurance he will search the insurance markets until he finds some company, or companies, prepared to meet that need.

Under any insurance monopoly controlled by the state, there can be no need for the services of the type of expert I have described to you. Whatever services were available under such a scheme would be doled out by bureaucrats, and human nature being what it is, it is not unlikely that such services would be rendered not on a basis of merit but where politically they will do the most good.

Factory Mutuals Group Broaden Standard Cover

The Associated Factory Mutual Fire Insurance Companies, effective Jan. 1, will include insurance against loss or damage from riot, civil commotion or malicious mischief, under all their policies without extra charge.

Previously, this coverage has been furnished only to policyholders who requested this protection and paid additional premium deposit. Decision to make it part of the basic coverage under Factory Mutual contracts was reached because of the favorable loss experience on the perils noted and the fact that it is presently being provided on over 60% of the insurance written by the group.

The standard Factory Mutual form provides insurance against fire, lightning, windstorm, explosion, sprinkler leakage, vehicle damage, and smoke damage in a single contract which after Jan. 1 will include riot, civil commotion and malicious mischief.

A. H. FRAMPTON

has been appointed vice-president and general manager of English Electric Co. of Canada, St. Catharines, and elected a director.

Values, Relationship Affect Death Duties

Canada Trust Co. (London) has issued a 24-page booklet entitled "An Introduction to Succession Duties, for residents of Ontario." By question and answer it tells what succession duties are, what is meant by property, aggregate net value for succession duty purposes, etc., and points out that the three fundamental factors used in determining succession duty rates under Dominion and Ontario laws are the same fundamentally: aggregate net value of the estate, value of individual bequests, degree of relationship of beneficiaries to the deceased. The degrees of relationship in both acts create a preferred position for beneficiaries of the closest blood relationship to the deceased, and the rates become gradually more severe as the relationship becomes more distant, with the highest rates applying to property passing to beneficiaries not related to the deceased, it explains. It also gives tables illustrating how succession duties payable on estates of certain amounts under Ontario and Dominion law vary, when willed in different ways.

Cost Experts Award Gold, Silver Medals

E. W. Scott and G. L. Innes have been awarded respectively the gold and silver medals for the highest standing in the advanced cost accounting examination of the Society of Industrial & Cost Accountants of Ontario.

Mr. Scott, who was awarded the gold medal for the highest standing, is cost accountant with the Ryerson Press (Toronto). Mr. Innes, awarded the silver medal for second highest standing, is accountant for the Duplate (Canada) Ltd., Oshawa. He became a chartered accountant in 1942.

Insurance Sales Go Higher

Gain 7.5% in October, Over 5% For First Ten Months

Purchases of new ordinary life insurance in Canada in October totaled $108.4 millions, an increase of about 7.5% over the same month in 1948. Total sales for the first 10 months were slightly over $1 billion, about 5.2% higher than for the same period last year.

The figures released by the Canadian Life Insurance Officers Association are for new ordinary insurance exclusive of increases, revivals, group insurance, annuities, etc.

For October, new industrial insurance sold was $15,263,000 and new group $5,829,000, making total insurance protection bought during the month about $129 millions.

SALES OF NEW ORDINARY LIFE INSURANCE IN CANADA
Sales in October
000's of $

	1949	1948
British Columbia	9,565	8,462
Alberta	7,315	6,329
Saskatchewan	4,915	4,620
Manitoba	5,983	6,158
Ontario	44,566	41,119
Quebec	29,411	27,673
New Brunswick	2,461	2,510
Nova Scotia	3,210	3,093
Prince Edward Island	365	388
Newfoundland	664	525
Total	108,455	100,887

Sales by Months
000's of $

	1949	1948
January	106,621	99,037
February	99,239	101,483
March	104,662	104,653
April	102,917	102,810
May	106,831	101,010
June	112,731	101,667
July	103,496	93,809
August	89,565	84,013
September	91,047	84,726
October	108,455	100,887
November	......	120,408
December	......	113,317
	1,023,564	1,207,820

R. D. Bedolfe is Named General Consultant

Robert D. Bedolfe, for 26 years Canadian general manager of the Continental Casualty Co., has been appointed general consultant to the company and the Continental Assurance Co. in Canada. He will be succeeded as Canadian general manager by Ross D. Heins on Jan. 1. The Continental Assurance Co. was licensed to write life insurance in Canada some months ago.

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For dependable Industrial and Real Estate Valuations.
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A watchman ringing in to a central station is just one of the many ways Fire Prevention Service can be put into effect.
There are others.
Our Graduate Engineers can tell you about them.
WE TRY TO PREVENT LOSS
We place insurance in the best markets.
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ESTABLISHED 1899
Synchronized Living
Over the years, the driving force of science has given us new hours of leisure time, but there has been no corresponding movement to develop social skills and new interests. In the future we will learn to use leisure time to improved advantage. Meanwhile there is restlessness. Problems such as youth delinquency arise from restless and unprofitable leisure. Within the family we can do much to teach proper use of free time by cultivating a love of art, music, literature and wholesome recreation. Enjoyment of these will truly help make leisure profitable.
THE CONTINENTAL LIFE INSURANCE COMPANY
HEAD OFFICE TORONTO
NEWTON J. LANDER, PRES. and MANAGING DIRECTOR
WALTER F. SMITH, VICE-PRESIDENT
FOUR SQUARE
A Purely Canadian Company
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"THE SAFETY-MINDED COMPANY"
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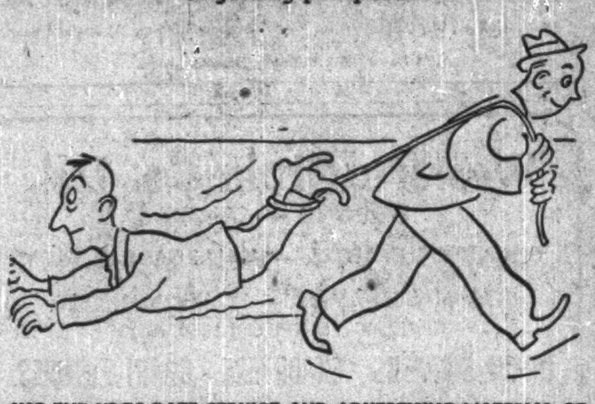

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THE CANADIAN INDEMNITY COMPANY
HEAD OFFICE: WINNIPEG

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Do you know that there will be funds to educate your children, whether you live or die?
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You and your employees have special insurance needs which have to be met by planned Group Insurance. Confederation Life—one of the leaders in this field—offers a complete range of Group Plans which can be geared to meet your particular needs.
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Our Group Representatives are specially trained in the installation of combination plans which are available for the dependents of your employees.
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Confederation Life Association
HEAD OFFICE TORONTO

U.S. Steels Back Labrador's Iron

$170 Millions Operating Co. Vehicle For Large Scale Planning

A tremendous stride toward actual iron ore mining on the vast Quebec-Labrador iron range is encompassed in the announcement of President Jules R. Timmins of Hollinger Consolidated Gold Mines that six large United States steel firms and Hollinger itself have "gone firm" for $5 millions of expenditures on joint Hollinger North Shore-Labrador M. & E. areas before the end of 1951.

Agreements contemplate eventual expenditures of $150 to $200 millions on a 360-mile railway, docks, power facilities, development of mines, opening of new townsites, if results continue satisfactory and financing participants exercise their further options.

Operating vehicle for the great new development proposed is a big new company, Iron Ore Co. of Canada, a Delaware chartered enterprise in which both Hollinger North Shore and Labrador Mining & Exploration Co. become shareholders. It is capitalized at $170 millions—$30 millions of common stock; $40 millions of 3% income bonds; $100 millions of prior lien bonds.

Backing the project are six American steel companies—Armco Steel Corp., Hanna Coal & Ore Corp., National Steel Corp., Republic Steel Corp., Wheeling Steel, Youngstown Sheet & Tube—and Hollinger Consolidated.

Financial participants get $5 millions of common stock for their initial $5 millions firm commitment. Hollinger North Shore gets $3 millions of common and Labrador Mining & Exploration $2 millions of common, plus royalties, for a partial surrender of mining rights. The royalty is 7% based on value of iron ore and specialties shipped f.o.b. Seven Islands with a minimum royalty of 25 cents a ton. Based on 1949 prices for Old Range Non-Bessemer ore and assuming a fair freight rate, Mr. Timmins states that royalty on ore containing 55.5% natural iron will be substantially in excess of 25 cents per ton.

When and as the proposed deal secures the approval of a special meeting of shareholders of Labrador Mining & Exploration Co. called for Dec. 9 in Montreal and financing participants continue to exercise financing options, minimum annual royalties will begin in 1955. They will cover 10 million tons per year five years after the railroad is available for transportation of ore.

Of financing arrangements proposed, Iron Ore Co. of Canada headed by G. M. Humphrey outlines the position as follows:

". . . Hollinger and Hanna have each subscribed in cash for $2.5 million and the steel companies, including Hanna, have subscribed in cash for $20 millions, each subscription providing for payment of 20% prior to Dec. 31, 1950. Such of the subscribers as affirm any or all of the remainder of their stock subscriptions will then be obligated for the remaining 80% of the affirmed portion; and the steel companies in addition will thereafter purchase two dollars of 3% income debentures for each dollar of their stock purchases. The management of the operations of this company will be supervised by a Canadian company to be equally owned by Hollinger and Hanna for a fee of 10 cents a ton on all iron ore and specialties sold by this company."

Reserve Some Tonnage

While Iron Ore Co. of Canada is given the right to lease a large part of the known iron ore reserves on both the Hollinger North Shore concession in Quebec and the adjoining Labrador Mining & Exploration Co. to the south in Labrador, Mr. Timmins points out that the Canadian companies were retaining ample reserves to supply requirements of the steel business of Canada, as well as to anticipate export of iron ore to England, United States and European countries in the future.

Chief Geologist J. A. Retty of Labrador Mining & Exploration Co. estimates that area "A" on the Hollinger North Shore concession and area "B" on the Labrador concession — the adjoining areas embraced in the deal with Iron Ore Co. of Canada — contain a combined total of 355,015,000 long tons indicated by drilling, of which 240,840,000 tons are on Hollinger North Shore ground and 114,175,000 tons on Labrador ground.

"From our present knowledge of areas 'A' and 'B,' I am of the opinion that the ratio of tonnages of ore discovered in the future will not vary substantially from that indicated in each area to date," he declares.

How Ore Divided

On or before Dec. 31, 1953, Iron Ore Co. of Canada will have the right to take initial subleases upon areas containing the following tonnages on the basis of engineers' estimates of merchantable open-pit iron ore of the average grade quality, cost and availability:

(a) All of the first 200 million tons.

(b) One-half of next 200 million tons, and

(c) Two-thirds of all remaining merchantable open-pit iron ore.

Based on the 355 million tons of ore already estimated, over 75 million tons of ore has already been "reserved" to Hollinger North Shore and Labrador Mining & Exploration Co. This will be increased proportionately as further discoveries are made. Subleases will not include any discoveries of precious and base metals. These have also been reserved.

If initial subleases are taken, Iron Ore Co. of Canada will have the right to conduct further explorations within designated 500-square mile areas in each of the concessions until the end of the fifth year after the railroad may be available for transportation of iron ore and during this time Iron Ore may have included within its subleases additional ore bearing areas in accordance with the set formula for division of ore reserves. "Specialties" will be divided on the basis of division of ore and to that extent will be included in initial and final subleases. Areas subleased containing ore and specialties may equal but will not exceed 250 square miles in each concession.

As far as Labrador Mining & Exploration Co. is concerned: "The area upon which prospecting rights are now being given by the Labrador company is less than 12% of the total area now held by your company and the maximum area which may be subleased will be only 25% of the area which the Labrador company is authorized to finally hold under its concession agreement."

In the event that Iron Ore Co. of Canada exercises its options to take subleases, it commits itself to build and equip a suitable railway from the mines to Seven Islands, on the north shore of the St. Lawrence, with docks and facilities provided to deliver a minimum of 10 million tons of iron ore a year. It also obligates itself to equip and operate suitable mines for production of a like minimum annual tonnage and to construct sufficient dwellings and other facilities and to develop and supply efficient electric power.

Minimum annual requirements under each sublease starting five years after completion of the railroad will be the proportion of the 10 million tons which the merchantable open-pit iron ore in the areas under sublease bears to the combined total of such ore covered by subleases, with provision for adjustment of such minimums for any year only in the event that the steel operating rate in the United States falls below two-thirds of capacity for such year.

While no accurate estimates of cost of the entire project are available, the size of the undertaking is such that from $150 millions to $200 millions may be required, Mr. Timmins indicates. At least another year or two is expected to elapse before a start can be made on construction as a great deal of additional exploratory, development and engineering work is yet to be done. Employment is expected to be provided for many Canadians. Completion of the project will involve very large scale expenditures of American funds.

Gets Money Back

As the initial $5 millions of financing covers expenditures for 1949-51 inclusive, Iron Ore of Canada will repay $575,000 borrowed by Labrador from Hollinger and Hanna and expended for exploration in 1949.

President J. R. Timmins points out that Hollinger and Hanna have a vital interest in the success of the project in the following terms:

"Hollinger is the owner of 51% of the issued capital stock of your company (Labrador) and 60% of the issued stock of Hollinger North Shore. Hanna is the owner of 18% of the issued capital stock of your company and 40% of the issued capital stock of North Shore. Hollinger and Hanna have each subscribed for $2.5 million of the common stock of Iron Company of Canada, and are firmly obligated to invest $500,000 each on this account before the end of the year 1950. Hanna, as one of the steel companies, has also subscribed for an additional amount of common stock.

"From the above, and bearing in mind Hollinger's and Hanna's past expenditures for exploration and development in the area, and the moneys that they are now committed to spend along with the steel companies, it is quite evident that both of these companies are vitally interested in the success of Iron Ore Co. of Canada.

OIL PRODUCTION

Alta. Oil Output Climbs To 63,674 Bbl. Per Day

From Our Own Correspondent

CALGARY — Average daily output of oil climbed 4,721 bbl. in the past week to a level of 63,674 bbl. per diem.

But oil production is still only a small fraction of the output potential. At current rate of drilling, potential for turning out oil is believed to be climbing steadily.

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Northwest Test Wins

The Pass-C Lease Redwater No. 9-17 well key northwest stepout at Redwater, encountered about 57 ft. of pay zone in the D3 formation and was preparing for production test early this week.

After extending the field 1½ miles to the northwest and to a total length of about 16 miles, the Pacific Petroleums team has started a further well a quarter mile to the north, with a depth of 619 ft. reported.

Princess-Redwater No. 16-25 well, located on a quarter section farmout from Imperial Oil at Redwater is running casing to 3,310 ft. Extent of the D3 zone hasn't been determined but success is stated to be likely as water-free oil has already shown.

The well is backed by Pacific Petroleums, Princess Petroleums and Calvan.

Capp-Redwater No. 4-23E well in northwest Redwater has been placed on production with initial potential of 98 bbl. daily. The well found 50 ft. of oil-bearing D3 zone and acidization is proposed. Another well has been spudded in a quarter-mile to the east.

The Capp project is backed by Pacific Petroleums, Calvan Petroleums, Polaris, Atlantic Oil Co., Princess Petroleums, Commonwealth Drilling Co. and individuals.

Central Redwater Syndicate was not successful in securing oil on its quarter section farmout from the Pacific-Princess-Sunray team on the west section of the central portion of the Redwater field.

• • •

Ross Petroleums expects shortly to complete its second well in the Leduc field. The first well, on a farmout from Imperial Oil, was successful in securing oil in the D2 formation. The second well is currently "fishing" for tools at 5,043 ft.

• • •

Nickle on Oil

Alberta's mounting flood of oil has spread out this year to cover the entire Prairie Province marketing area—from eastern B. C. to Winnipeg — and now economic barriers (that is, high transportation costs) have temporarily stemmed the flow, C. O. Nickle of Oil in Canada, in a speech last week declared. Ability to produce oil, which was only 19,000 bbl. daily less than three years ago, has now climbed to over 100,000 bbl. daily, and may climb to over 150,000 bbl. daily within the next year. Meanwhile, actual production is being held to between 60,000 bbl. and 70,000 bbl. daily.

In another year, economic barriers to broader markets will be smashed. Interprovincial Pipe Line Co., backed by Canadian and American capital, is rushing construction of a $90 millions, 1,150-mile pipeline from Edmonton to Superior, Wisconsin, at the head of the Great Lakes. This line will start transporting oil by the end of 1950. It will deliver Alberta crude to Saskatchewan and Manitoba and to the head of the Lakes. Tankers will carry Alberta crude from Superior into Ontario refining centres.

Not long after the pipeline is completed, Alberta crude may also move from Superior into the mass market of the United States middle west — Illinois, Wisconsin, Minnesota and the Dakotas.

The pipeline will carry oil to the lake head for between 55 and 60 cents per barrel, less than one third of the cost of rail transport. It will allow Alberta crude to compete with foreign oil in parts of Ontario and the American mid-west and still maintain attractively profitable well-head oil prices in light crude fields.

Giant Treating 400 Tons a Day

October Operating Profits $143,186 Before Writeoffs

Milling rate was lifted to 400 tons daily at Giant Yellowknife Gold Mines at the end of October as against an average treatment rate of 373 tons daily for October, the company announces.

During October an operating profit of $143,186 was realized before write-offs with a net profit of $57,993 after all charges.

Production for the month had a gross value of $245,007 with gold at $38.50 on basis of 6,308 oz. of gold and 2,650 oz. silver. A total of 11,557 tons of ore was treated during the period.

Operating costs were cut to $12.38, a reduction of $2.21 a ton from September. At the end of October, broken ore reserves totaled 75,224 tons averaging 0.76 oz. gold per ton.

Reorganize Capital Congress Gold Mines

A capital reorganization of Congress Gold Mines has been approved by shareholders at a special meeting with shareholders to receive one new share for each four old shares held.

Present capitalization of the company is four million shares, but under terms of the reorganization authorized capital will be three million shares with one million shares outstanding.

Acceptance of this plan is preliminary to provision of additional funds by Sheep Creek Gold Mines for resumption of development on the company's property in the Bridge River camp of British Columbia.

Sheep Creek has offered to buy 25,000 shares at 20 cents if options are granted on an additional 475,000 shares at the same price. Exploration underground is planned of one of three veins located at surface on which no underground work has so far been completed.

CONIAURM MINES has declared a dividend of 2½ cents a share payable Dec. 30, 1949, to shareholders of record Dec. 7.

MacDONALD MINES has received payment for 7,000 shares at 45 cents a share part of Nov. 15 installment of 20,000 shares under agreement with W. E. Burke. Negotiations are proceeding with regard to taking up balance of installment. Issued capital is 3,396,953 shares, leaving 603,047 in treasury.

ELDONA GOLD MINES has received payment for 25,000 shares at 40 cents a share, part of Dec. 14 underwriting of 75,000 shares under agreement with Stuyvesant-North Ltd. Issued capital is 4,650,000 shares leaving 350,000 in treasury.

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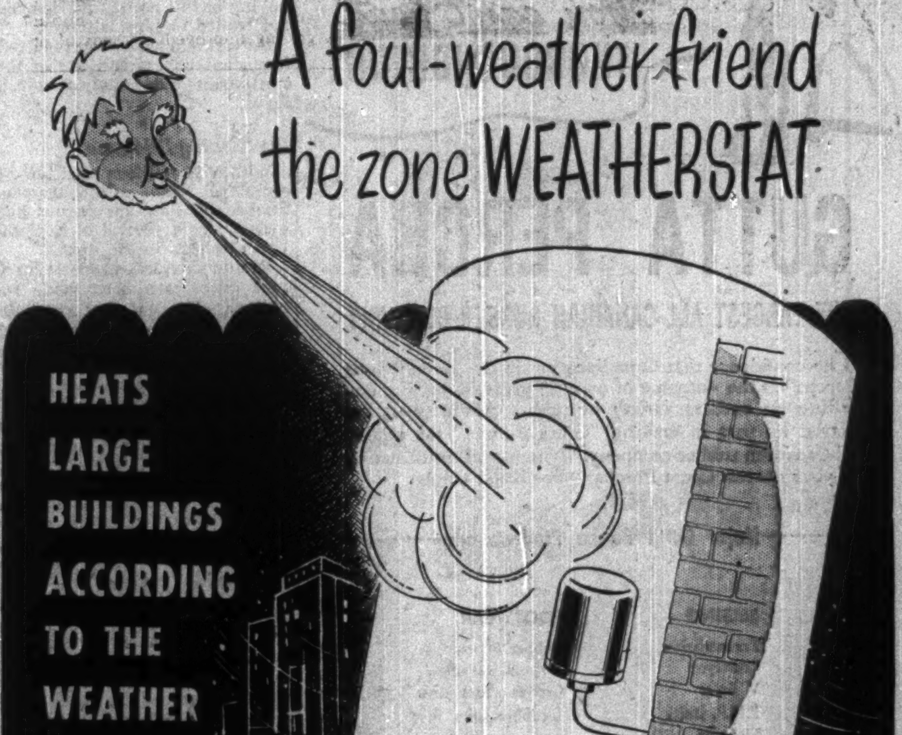

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MINING INVESTMENTS

Copper Betters Lead, Zinc In Non-ferrous Metal Mart

While lead and zinc have both been weak spots in world non-ferrous metals markets, outlook for copper continues encouraging. On basis of U. S. statistics, it may move even higher than its present price of 18½c a lb., in New York. (Current price of 20.35c a lb. for copper at Toronto and Montreal reflects 10% difference on exchange).

Purchase of copper in the United States—where world metal prices are largely fixed—has been on a fairly moderate scale recently. But this has been due more to a lack of available supply than any lack of interest on part of consumers. Practically all copper for December delivery was reported taken up by Nov. 23. It is reported that many consumers are impatiently awaiting opening of January order books and that some have already indicated that very substantial tonnages will be required for that month. October deliveries of copper to United States domestic consumers amounted to 108,192 tons representing a further increase of 5,000 tons. In some quarters it was thought that deliveries might be even larger than those reported. It is thus assumed that tonnage carried over for delivery in November will be correspondingly larger.

Continued heavy demand for copper, with deliveries greatly in excess of refinery output, has caused U. S. stocks of refined metal to drop 52,700 tons in a 60-day period with refinery stocks reported at 164,464 tons on Oct. 31. Stockpiling took 16,613 tons of copper in October on top of the 108,192 tons delivered to domestic consumers.

From July 1948, to Oct. 31, 1949, approximately 156,776 tons of copper have been delivered to U. S. stockpiling authorities, it is estimated.

• • •

Lead Back to "Low"

Outlook for the price of lead is still not very bright despite decline to 12c a lb., U. S. funds at New York, the same price which prevailed from May 26, until July 8, when metal quotations dropped to their year's low. Lead subsequently climbed to 15⅛c but started down again in late September. Devaluation brought offerings in the U. S. from Yugoslavia and Japan.

A sharp increase in replacement battery shipments in United States starting in mid-1949 apparently was an important factor causing the temporary price recovery. Monthly shipments have been as follows:

	1947	1948	1949
Jan.	1,509,000	2,394,000	1,243,000
Feb.	1,601,000	2,254,000	826,000
Mar.	1,798,000	1,679,000	560,000
April	1,868,000	1,211,000	499,000
May	1,873,000	1,027,000	686,000
June	1,737,000	1,200,000	1,059,000
July	1,433,000	1,506,000	1,637,000
Aug.	2,073,000	2,519,000	2,648,000
Sept.	2,415,000	2,643,000	2,786,000
Oct.	2,854,000	2,845,000	2,374,000
Nov.	2,683,000	2,539,000	
Dec.	2,597,000	1,905,000	
Total	24,441,000	23,717,000	

According to reports from the battery industry, November shipments are expected to drop below those of October and lower operations are also anticipated for December. December outlook, however, could change in the event of a long, cold spell, which would increase demand for replacement batteries.

It is expected that current United States price for lead will result in further reduction in production. This in turn might cause the price of lead to turn higher. Because of effects of devaluation, Canadian lead producers are in a much better position than their American counterparts.

Latest reduction in price of zinc to 9.75c a pound in U. S. funds at St. Louis, has inspired improved buying of this metal, but demand has tended to slow latterly.

Galvanizers have been reported important buyers and end of the steel strike is definitely a bullish factor.

• • •

Fix Staking Dilemma

With a $4 millions road almost completed into Chibougamau, Quebec officials are encouraged over a recent revival of exploration activities in the area.

Premier Duplessis reports three gold finds have been made recently, points out that possibilities are present for zinc, silver and possibly nickel. Copper has already been established at two properties in previous work.

At the next legislature, a bill will be presented confirming claims of a number of prospectors who have worked in the Chibougamau area, but whose stakings were in doubt due to interpretation of legislation passed earlier this year.

• • •

McConnell Creek

A mountainous, relatively inaccessible area of British Columbia, the McConnell Creek area, formed the subject of a geological report just issued by the Geological Survey of the Federal Department of Mines & Resources, Ottawa.

Many occurrences of gold, silver, copper, coal and other minerals were noted in the course of mapping this area near the centre of the northern half of British Columbia and it appears likely one which will receive increased attention in years to come.

As an aid to the prospector Dr. C. S. Lord has listed the more favorable host rocks and has defined areas within which mineral occurrences are concentrated.

NEW JASON MINES' gold production for the first half of November was $36,740 from treatment of 1,708 tons with an average recovery of $21.50 a ton. October output had a value of $67,671 from milling of 3,377 tons. Operating costs for October were $12.01 per ton and an operating profit of $26,280 is reported before cost-aid. Changes have been made in the jaw crusher which is expected will allow milling rate to be stepped up from the average of 114 tons for the first half of November to 150 tons daily. A drill is now on the property to complete a series of diamond drill holes from the mainland and the ice surface of the lake after freeze-up.

HEVA GOLD MINES has received payment for 32,000 shares at 10c a share, part of November 15 installment under agreement with Dunlo Investors. Balance of installment, comprising option on 18,000 shares at the same price, together with each subsequent installment, have been extended for three months. Issued capital is 3,736,900 shares, leaving 1,243,100 in treasury.

Central Patricia Still in the Ore

A fine new ore body is being opened up by Central Patricia Gold Mines at its bottom level at 3,400 ft. which considerably improves the over-all ore picture of the mine. Previously, the depth picture had not been so bright.

After opening up a new ore length of 115 ft. averaging $10 on muck samples across a width of 9 ft., only part of which had been slashed out, values dropped to 0.11 oz. and 0.17 oz. But the value then picked up to 0.35 oz. in the next round and the management hopes that a further length of ore lies ahead. The first 40 ft. of drift slashed out to an ore width of 18 ft. but it is not known as yet what balance of the shoot will run. Muck samples are believed to have included considerable dilution and it is hoped that the shoot will carry about mine average of 0.32 oz.

Including a large inventory of supplies, working capital is believed to be close to 90 cents a share or better. A dividend of 6 cents a share has been declared payable December 21 to shareholders of record of Dec. 1.

Record Output At Steep Rock

Mine Approximately 1.3 Million Tons in 1949—May Acquire Dredge

A record total of approximately 1.3 million tons of iron ore was mined by Steep Rock Iron Mines this year, officials announce. Because of the U. S. steel strike, shipments were a little below the 1949 objective of 1.2 million tons at 1,131,977 tons.

Shipments did not constitute a record being exceeded by the 1,206,248 tons of 1947.

From the opening of navigation in April to the closing of navigation on Nov. 19 (Stadacona was last freighter loaded), a total of 129 boatloads of ore were shipped.

See Good Market

The company will start off with a good stockpile of ore next year and no difficulty is anticipated in liquidating the stockpile because a brisk steel production is figured until at least a year from this Christmas.

Work is progressing on assembling equipment for the big program designed to step production up to four million tons a year. Involved is the stripping of the "A" ore body and the sinking of a shaft for mining of ore from the "B" ore body from whose open pit all ore to date has been derived. It is expected that a big dredge will be assembled at the property for the big job of stripping "A" ore body.

OSC Options

Details on mine and oil financing have been released by the Ontario Securities Commission as follows:

ANGUS MINES—By agreement of July 26, 1949, W. A. Wilkinson agreed to purchase 150,000 shares, being 100,000 at 20c and 50,000 at 25c, payable by Nov. 16, 1949, being the date upon which the commission accepted the amended prospectus for filing. An option is also granted on a further 350,000 shares at 25c to 40c per share. Mr. Wilkinson has taken up and paid for underwritten shares and 10,000 shares of the first option. Amended prospectus shows five claims abandoned and nine new claims acquired by staking.

BIG DAN MINES—An amending statement has been filed with Ontario Securities Commission to cover acquisition of additional property with engineer's report and certificate to cover same.

BRADY CROSS LAKE SILVER MINES—Security issuer's registration granted Nov. 9, 1949, permitting John Daniel Brady to sell. Authorized capital is 3,000,000 shares, of which 915,005 issued (including 823,500 in escrow).

EDMORE MINES—By agreement of Aug. 24, 1949, Arthur H. Clark, received an option on 1,300,000 shares at 5c to 50c a share. Authorized capital 3,500,000 shares with 1,200,005 issued (1,080,000 in escrow).

INDORE GOLD MINES—John J. Glass holds option on 950,000 shares at 15c to 75c a share. Authorized capital is 3,000,000 shares, of which 1,915,005 issued (910,000 in escrow).

KELSINE KIRKLAND GOLD MINES—By agreement of Oct. 20, 1949, Crawford M. Crook agreed to purchase 50,000 shares at 10c, payment for which has been received, and was given an option on a further 2,050,000 shares at 10c to 60c a share. Authorized capital is 3.5 million shares with 1,362,505 issued (790,000 in escrow).

LAKE SURPRISE MINE—By agreement of Oct. 11, 1949, Robert Hughes received an option on 1,432,954 shares at 8c to 50c a share payable at a rate sufficient to provide company with a minimum of $5,000 a month, commencing Dec. 14. Authorized capital of the company is 3,000,000 shares with 1,037,051 issued (873,000 in escrow).

LARDON GOLD MINES—By agreement of Sept. 26, 1949, Clair Agency received an option on 1.5 million shares at 5c to 35c a share, payable $5,000 monthly, commencing Dec. 1, 1949. Authorized capital of the company is 3,000,000 shares, of which 1,461,006 are issued (one million in escrow).

LASHBURN PETROLEUMS—By agreement of Oct. 18, 1949, Anthony J. Costogan purchased 300,000 shares at 5c and received an option on 2,000,000 shares at 7½c to 25c per share. Authorized capital of the company is 3.5 million shares, of which 1,466,671 issued (one million in escrow).

MAJOR OIL—Amended statement filed with Ontario Securities Commission to cover acqusition of additional property and a new engineer's report and certificate filed covering same.

RICHORE GOLD MINES—At a meeting of directors, default under options to purchase a million shares held by Torcal Financial Corp. was waived and options restored to good standing, and times for paying for optioned shares extended as follows: A minimum 25,000 shares within 30 days of Sept. 13, 1949, and thereafter a minimum of 25,000 shares every succeeding 30 days.

SOUTH GIROUX MINES—By agreement of Sept. 16, 1949, J. L. Martyn agreed to purchase 160,000 shares at 6¼c (payment received) and option granted on a further 1,140,000 shares at 6¼c to 40c a share. Authorized capital is 2.5 million shares, of which 1,040,005 (765,000 in escrow) issued.

COBALT CHEMICAL AND REFINERY CO.—By agreement of Oct. 5, 1949, Buemore Resources received option on 1,200,000 shares at $1 a share. By agreement with Torny Financial Corp. of Oct. 29, 1949, optionee will become entitled to have transferred as bonus shares which Torny Financial Corp. acquired from R. F. Reed, on basis of 73,500 for every $73,500 optionee furnishes company in exercise of its option until a total of 588,000 shares transferred. Authorized capital of the company is 3,000,000 shares, of which 1,790,036 issued including 940,000 in escrow.

UNITED MIC MAC MINES—By agreement of Oct. 1, 1949, Federal Trading & Agency Co., received option of 2,000,000 shares at 10c to 90c a share. By order dated Sept. 12, 1949, name changed from New Mic Mac Mines. Authorized capital is 5,000,000 shares, of which 1,600,005 issued (one million in escrow).

LOUVICOURT GOLDFIELD CORP. has received payment for Nov. 22 underwriting of 100,000 shares at 15 cents a share under agreement with Federal Trading & Agency Co. Issued capital is 4,350,000 shares, leaving 650,000 in treasury.

Falconbridge Profit Lower

Production Maintained But Deliveries of Metals Prove Below Normal

A net profit of $232,741 equal to 6.9 cents a share was realized by Falconbridge Nickel Mines in the three months ended Sept. 30, 1949, compared with $501,883 or 14.9 cents a share the preceding quarter.

Net profits for the first nine months of 1949 total $1,040,961 or 30.9 cents a share as compared with 25.9 cents a share in the same period of 1948.

Production in the third quarter of 1949, both at smelter and refinery, had been maintained at approximately the same rate as during the first half. Modernization in Norway continued as scheduled, while underground development at the McKim mine and sinking of the Falconbridge winze were carried on.

Copper Price A Factor

The fact deliveries of refined metals were below production during the quarter influenced earnings, as did also the lower price for copper. Exchange difficulties are stated to continue to affect sales and deliveries in Europe.

While devaluation caused substantial exchange adjustments and disturbed European business, it is pointed out that the future effect of the Canadian devaluation will result in an increase in gross sales receipts of 10%. A further advantage will accrue to the company from lower refining costs as a result of devaluation of Norwegian currency in respect to Canadian currency. Offsetting these advantages will be the inflationary influences on costs in Canada and Norway following devaluation.

As at Sept. 30, 1949, current assets totaled $7,949,097 with working capital of $6,491,443 after all current liabilities against $7,357,035 a year earlier. Financial position at Sept. 30, 1949, reflects a net loss of approximately $84,000 arising out of exchange adjustments.

Joliet Drive Now At Noranda Line

Drive being put out at the 1,200-ft. level of Noranda Mines toward Joliet Quebec Mines was within 40 to 50 ft. of the Joliet-Quebec boundary at the end of last week, will then traverse 3,000 ft. of Joliet ground to reach its objective, the ore body which Noranda has leased from Joliet on a royalty basis.

Drill stations are to be cut every 150 ft. along the drive to provide drilling stations from which Joliet plans exploration for possible further ore bodies. The management considers the drive a large scale prospecting effort from its standpoint, has funds for further exploration through $150,000 received under the deal with Noranda.

Preparations are being made to extend the Joliet shaft a further 600 ft. to connect with the drift. Sinking operations are expected to commence early in December.

NEW DICKENSON MINES has authorized release of new shares to old shareholders at rate of 20% on each of the following dates: Dec. 4, 1949, February 4, April 4, June 4, and August 4, 1950. Directors report that Sterling Trust Corp. has received payment of bond interest due Dec. 6 and cheques will go forward to holders of bonds at that date.

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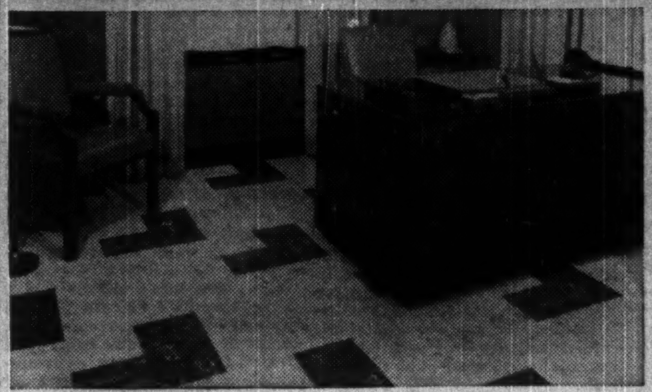

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Grey Cast Iron	25,000	2,000
"DOMITE NODULOY"	80,000	10,000

Elongation Comparison

	As Cast	Annealed
Grey Cast Iron	Nil	Nil
"DOMITE NODULOY"	3%	13%

Brinell Hardness of "DOMITE NODULOY"

As Cast	Annealed
230	170

Endurance Properties of "DOMITE NODULOY"

	Tensile Strength P.S.I.	Endurance Limit P.S.I.	Brinell Hardness
As Cast	80,000	41,000	250

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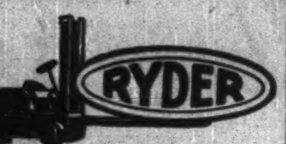
NEW DICKENSON MINES LIMITED

The Board of Directors of New Dickenson Mines Limited has authorized the release of the new shares in exchange for shares of the Dickenson Red Lake Mines Limited at the rate of 20% on December 4, 1949. A further 20% will be issued on February 4, April 4, June 4, and August 4, 1950.

The Directors further report that the Sterling Trusts Corporation has received payment of the bond interest due December 6. Cheques will go forward to the bond holders on that date.

If you have not done so, kindly forward as soon as possible, your Dickenson Red Lake Mines Limited certificates to the Sterling Trusts Corporation, 372 Bay Street, Toronto.

BREWIS & WHITE LIMITED
40 Adelaide Street West
Toronto
EL. 7225



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COMPANY
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$170-$200 Millions of Gold in 1950 Seen Prospect For Our Gold Industry

By GORDON M. GRANT

Canadian gold mining is giving a surprisingly good account of itself these days, even though mining costs continue at the highest level of modern times.

Production isn't up to the record-breaking $205 millions of 1941. But it is well over halfway back from the $103.8 millions low of 1945. And there are many signs that dollar value of output will look a lot better next year than in 1949.

One of the big factors making for a higher dollar value of gold output currently, of course, is the $38.50 price for gold arising out of September's devaluation. But completion of a lot of new facilities for extra production of gold—and increased use of established facilities—are playing an important part too.

Gold production in 1948 totaled $123 millions. In the first eight months of 1949, output was worth $92.7 millions at the $35 price for gold including a whopping $12.6 millions for August. From the best information available, Canadian gold output this year will probably be close to $147 millions. In other words, increase in the dollar value in 1949 may be greater than the increase in the production rate from the 1943 low up to the beginning of this year.

But impressive as the increase for 1949 is turning out to be, 1950 looks like an equally impressive year. On the basis of August output and the current $38.50 price for gold, current production is at a rate of $166 millions annually. If the August level of output can be maintained, an output $19 millions in excess of the 1949 estimated total can be inferred.

Even September production figures will give no reliable indication of what spurt in gold production may be achieved with a $38.50 price for gold. But it seems fair to assume that many managements will speed up plans for higher gold production. For instance, as operations become more seasoned at Giant Yellowknife, Howe Sound's Nor Acme property in Manitoba, at Quemont, an increase in the flow of gold appears altogether likely.

The Emergency Gold Mining Assistance Act, through its payments, has been instrumental in furthering rehabilitation programs of numerous properties such as East Malartic, Consolidated Beattie, Pioneer of B.C., etc. Consolidated Beattie is certainly one property from which higher production is an excellent 1950 possibility.

Though on a modified basis, EGMAA payments will continue in 1950 and will help individual mines over the top.

It seems reasonable to assume that Canadian gold production in 1950 may be anywhere from $170 to $200 millions.

Increased production, of course, will not necessarily be accompanied by a corresponding increase in profits. Mine managements have been able to spread costs over a larger number of units of production. But costs of supplies and services are still close to peak levels. In coming months, however, recovery of earnings at individual operations may be fairly impressive. The extent to which mines have been able to divert their attention to increased production is partly apparent in figures on gold mines' employment.

In July, 1949, Canadian gold mines had 22,717 men on their payrolls as against 22,791 men at the beginning of 1948. Thus there has been no corresponding increase in employment accompanying the increased output of gold.

If costs should turn lower, Canadian gold mining would almost certainly be well on the way "out of the woods." Individual mines are still dependent on EGMAA but most important producers have already been saved by assistance provided. As the industry works into a still more flourishing condition, it appears to possess lots of possibilities for expanding activities still further.

There are still plenty of mines with extra mill capacity to be placed at work. There are still many gold properties for which production plans would be warranted, granted a more favorable set of economic conditions.

Broker-Dealers Declare Ontario Promotion 'Clean'

Are western Canadian provinces being flooded with undesirable oil and mining promotional literature? Is Ontario letting down the bars because the Ontario Securities Commission and/or the Broker-Dealer Association of Ontario aren't fully on the job?

Charges to this effect in recent weeks resulted in a press conference this week by the Broker-Dealer Association whose officials literally denied "in toto" all charges made. But little specific information was given as to what had been accomplished in many fields. It was pointed out that the organization was a young one with a large membership and that it was difficult to regulate all members satisfactorily.

In numerous cases, it was stated that literature had been handed back to members without approval because it was misleading and gave a false over-all impression. Asked about the use of special "warrants" to sell stocks, an official said, "I see nothing wrong with that or use of reservation forms."

"I don't feel there are any boiler rooms operating in Ontario," declared William Wismer, association secretary, in answer to a question.

Tighter restrictions on brokers' licenses were stated to have been introduced by the Broker-Dealer Association recently and the association is now seeking to have a say in who secures a salesman's permit to provide a "double check" on salesmen.

Establishment of a price spreads' committee last May was mentioned but no information was forthcoming as to what limitations were being placed on markups because "each case has to be decided on its own merit." One case was stated to have been so bad, however, that the member was advised he should not sell the issue at all.

The discipline committee and Board of Governors were stated to have dealt with 40 cases, in 25 of which substantial fines were levied. Two cases were referred to the Ontario Securities Commission for prosecution and two members were suspended from membership.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

UNITED BOND & SHARE LTD. net profit for year ended Sept. 30, 1949, was $21,765, up 20.1% from previous year's $18,124. Interest and dividends received were higher than the previous year. Net asset value, based on market prices as of Sept. 30, was $441,986 compared with $431,422 a year ago.

INCOME ACCOUNT

Years Ended Sept. 30:	1949	1948
Total income	$26,193	$21,852
Less: Manag. exp.	2,189	2,246
Inc. tax res.	1,204	419
Other exp.	1,035	1,063
Net profit	21,765	18,124
Less: Dividends	18,446	15,811
Surplus for year	3,319	2,313
Earnings per Share and Dividend Record:		
Common: Earned	$0.83	$0.69
Paid	0.50+0.20	0.50+0.10

CONDENSED BALANCE SHEET

As at Sept. 30:	1949	1948
Cash	$8,769	$4,281
Investments†	434,698	437,774
Accrued income	2,064	1,145
Due from broker	724	......
Total assets	446,255	443,200
Total curr. liab.	2,294	2,192
Capital stock	156,658	156,658
Earned surplus	10,792	7,473
Surplus*	276,511	276,877
†Market value	432,723	428,188

*Comprises profit on invests., and $195,405 distrib. surplus.

DOMINION GLASS CO. net profit for the year ended Sept. 30, 1949, was off 7.1%. Volume was maintained at approximately the same level as last year. Demand for company products appears to have resumed prewar seasonal character, resulting in idle furnace capacity during the winter months, with increased costs. The upward trend in costs lowered the narrow margin of profit on which the industry operates, the annual report states.

Plant modernization and replacement commenced several years ago is still in progress. Alterations at Hamilton will be completed in 1950. Expenditures on capital account amounted to $888,673 for the year. Unexpended balance on approval works at fiscal year end, amounted to $430,981. Further substantial expenditures are under consideration to replace worn and obsolete equipment and for other necessary improvements.

CONS. INCOME ACCOUNT

Years Ended Sept. 30:	1949	1948
Total net income	$3,081,228	$3,232,223
Less: Deprec.	496,519	426,330
Amort. pat. rts.	7,500	7,500
Taxes	1,079,924	1,185,922
Net profit	1,497,285	1,612,471
Less: Pref. divds.	182,000	182,000
Common divds.	425,000	297,500
Surplus for year	890,285	1,132,971
Earnings per Share and Dividend Record:		
Preferred	$11.52	$12.40
Paid	1.40	1.40
Common	6.19	6.73
Paid	1.00+1.00	1.00+0.40

CONDENSED CONS. BALANCE SHEET

As at Sept. 30:	1949	1948
Cash & Dom. bds.	$3,810,677	$3,036,461
Accts. rec.	2,946,400	3,401,177
Inventories	3,010,455	2,498,655
Total curr. assets	9,767,532	8,936,293
Misc. assets▲	692,628	1,013,434
Fixed assets	8,820,719	8,162,840
Patents, etc.	2,469,421	2,476,920
Total assets	21,750,300	20,589,487
Accts. & tax. pay.	1,580,037	1,632,858
Other curr. liab.	978,816	950,034
Total curr. liab.	2,558,853	2,583,492
Deprec. reserve	5,249,255	4,954,088
Other reserves	750,000	650,000
Capital stock	6,850,000	6,850,000
Surplus	6,342,192	5,551,907
▲Incl. ref. EPT	486,710	797,759
Working capital	7,208,679	6,352,801

SUN PUBLISHING CO net profit for the year ended Aug. 31, 1949, was up 68.3%. Circulation and advertising linage of The Vancouver Sun have continued increase. Daily net paid circulation for August, 1949, was 164,319, compared with 151,485 for August, 1948. Advertising linage increased by 1,997,800 lines. Classified dollar-volume has shown an increase due to rate increases, although classified linage showed a decrease which is said in general conformity with continent-wide trends.

Operations of the commercial printing division also show a most favorable growth during the year, the annual report states. As operating costs increase, however, they also tend to become fixed to a greater extent and less subject to control in the event of any recession in volume of business, it is said.

Plans are now progressing for erection of a building near corner of Georgia and Beatty Streets to house two newspaper presses obtained in the U. S. It is anticipated that by the summer of 1950 The Vancouver Sun will be printed in this new plant.

As it is said essential that an adequate working capital be maintained, the expansion program will be paid for in part from current funds and in part from a new issue of debentures to be sold in latter part of 1949.

INCOME ACCOUNT

Years Ended Aug. 31:	1949	1948
Net earnings	$638,982	$396,399
Less: Deprec.	109,847	94,902
Bond interest	36,000	......
Income tax	196,000	125,000
Net profit	297,135	176,497
Less: Pref. divds.	6,750	6,750
Common divds.	77,186	80,617
Surplus for year	213,199	89,130
Earnings per Share and Dividend Record:		
Preferred	$198.09	$117.66
4½% paid	4.50	4.50
Common	3.87	2.53
Paid	1.05	1.20

CONDENSED BALANCE SHEET

As at Aug. 31:	1949	1948
Cash & mkt. secs.	$522,780	$23,405
Accts. rec.	651,819	544,803
Life ins., c.s.v.	14,295	9,167
Inventories	295,211	220,078
Total curr. assets	1,484,105	797,453
Inv. & adv. subs.	917,016	634,153
Misc. assets▲	158,877	123,989
Fixed assets*	694,535	723,980
Total assets	3,254,533	2,279,575
Bank loan	......	411,978
Accts., tax., etc., pay.	512,675	357,041
Bonds due	60,000	......
Total curr. liabs.	572,675	769,019
Due subsids.	30,154	29,336
Def. credit	25,000	25,000
Capital stock	900,000	821,810
Capital surplus	39,095	......
Funded debt	840,000	......
Earned surplus	847,609	634,410
*After depr. of	601,941	505,976
▲Incl. ref. EPT	922	12,230
Working capital	911,430	28,434

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Golden Manitou Finds Ore In Three New Directions

Important new ore has been outlined at Golden Manitou Mines in exploration to the west, east and north of presently known ore bodies on the 1,260- and 1,410-ft. levels, it was officially announced this week.

Unusually high values in gold, silver and what appears to be a possible new copper body, form features of the latest disclosures.

On the 1,260 level a new ore body is being developed 200 ft. west of the mine's main ore body. This new ore has an average width of 10 ft. with higher than mine average gold and silver values. The first 100 ft. in length averages $7.20 per ton net recoverable value, with the next 200 ft. $12.20 per ton. The net recoverable value is arrived at after deducting freight, smelter and marketing charges, but not mine operating costs, which are $4.15 per ton. Both gold and silver values have increased to the west with the length not yet delimited.

Diamond drill holes from the 1,260 west drift show the ore to continue to the west. Ninety feet west of the 300 ft. of length mentioned above, 11 ft. of core ran 7½% zinc, and 120 ft. west 3 ft. of core assayed $6.73 in gold and $9.86 silver per ton, or a combined precious metal content of $16.59 per ton. A raise to the 900-ft. level has continued in ore and the west drift on the 1,410 level has reached the downward continuity of this new ore body.

At 760 ft. east of the shaft on the 1,410-ft. level, diamond drilling has now shown the first of two new ore bodies to have a width of 26½ ft. and a length of 160 ft., with an average grade of $7.43 per ton net value. A crosscut from the level has now reached this ore and the first assay across 8-ft. drift width runs 22 oz. silver per ton. The second ore body east of this is now being outlined by drilling.

A drill hole from the shaft crosscut on the 1,260-ft. level at 730 ft. north of the shaft cut 6 ft., which assayed 3.16% copper. Another hole 480 ft. farther east cut 2 ft., which assayed 3% copper, followed by a three-foot blank and then a nine-inch core, which assayed 8½% copper. The drill was moved 800 ft. east of the shaft and a hole at this location has a core length of 228 feet, showing copper mineralization averaging 1% copper for the full core length. Drilling is continuing to further explore the extent and values of this new copper find, which occurs in a section of the mine not previously prospected.

Sherritt Cuts Its "C" Body

A drift has been extended to the north at the 1,000-ft. horizon at the Lynn Lake property of Sherritt Gordon mines and has now reached the vicinity of "C" ore body. Flat drilling to outline this occurrence has been started.

One hole has been completed showing structure, and two other holes are now drilling, the management reports. No assays were available at time of writing but core was stated to appear to be about "C" ore body grade.

Drilling is still being done from the 1,000-ft. level for the further outlining of the main "A" ore body.

Uranium is Found In Portneuf Co.

A discovery of uranium has been made some 30 miles west of the city of Quebec in Portneuf County, A. O. Dufresne, Quebec Deputy Minister of Mines reports.

The discovery is reported to have been made by Quebec prospector A. Gaudry, who turned samples in to the Quebec Mines Department. Analysis there showed uranium to be present but values have not been released. Samples were "hand specimens" and it is stated to be difficult to assess the value of the occurrence from these alone.

Mr. Dufresne stated that Gaudry conducted his prospecting in Portenuf County with a Geiger counter.

East Sullivan's Profits Reach A Record High

With an operating profit of a little over $250,000 estimated for East Sullivan Mines in the first 15 days of November, the big Bourlamaque copper-zinc producer is now realizing operating profits in excess of $500,000 monthly, it appears.

In October, operating profit was estimated at $495,900. During the month, the mill averaged 2,465 tons daily and mill heads ran 2.388% copper, 2.25% zinc, 0.029 oz. gold and 0.6 oz. silver. Content of the ore compared with mine averages for reserves at the beginning of the year as follows: copper, 2.12%; zinc, 1.36%; gold, 0.023 oz.; and silver 0.46 oz.

Milling rate is apparently being held at around 2,500 tons daily as base metal recoveries tend to fall off when a larger tonnage than that is handled. Installation of a pyrite production plant is progressing on schedule and the unit should be in operation by the end of the year.

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The SHERWIN-WILLIAMS COMPANY OF CANADA, LIMITED
and Wholly Owned Subsidiary Companies

Annual Report of Board of Directors For the Year Ending August 31 1949

TO THE SHAREHOLDERS:

On behalf of your Directors, I have pleasure in submitting the Consolidated Balance Sheet showing Assets and Liabilities of your Company and its Wholly Owned Subsidiary Companies at the close of its fiscal year August 31 1949.

Also included is the Consolidated Statement of Profit and Loss and Earned Surplus for the last fiscal year.

The books and accounts of the Company have been examined by your auditors, Messrs. Price Waterhouse & Company, and their certificate and report is attached.

According to our usual custom, the properties and plants of your Company have been maintained in proper condition and the sum of $469,121.12 has been added to Reserve for Depreciation which now stands at $3,846,015.84. It may be pointed out that the increase in the provision for depreciation in recent years arises from Government regulations whereby on certain portions of the expansion programme of your Company, now practically completed, double depreciation has been allowed.

All Inventories have been taken with care and have been priced on the basis of cost or market, whichever proved to be the lower.

While sales volume of the Organisation attained its second highest peak, having been exceeded only by that of the year just preceding, the reduction in sales volume accounted for half of the drop in earnings, the other half arising from constantly increasing operating and selling costs over almost the entire field of our operations.

Reference is made to reductions of $1,120,000.00 in Bank Loans, $620,000.00 in Inventories and $267,000.00 in Accounts Payable, all of which indicate an improvement in the current position.

Your Directors are pleased to report that for the first months of the new fiscal year, beginning September 1 1949, encouraging sales gains have been shown as against the same period in the fiscal year just closed.

As a result of a change in the capitalisation of one of the Partly Owned Subsidiary Companies, distribution of the surplus of this Company was made, and the treatment of the proceeds is disclosed in the Consolidated Statement of Profit and Loss under Dividends Received.

The Net Earnings of the Company available for dividends, after making all deductions as shown on the Consolidated Statement of Profit and Loss and Earned Surplus, amounted to $987,476.58 as compared with $1,348,681.57 for the year immediately preceding. These earnings were equivalent to $28.54 per share on the Preferred Stock of your Company and to $3.32 per share on the Ordinary Stock.

Total Current Assets of your Company as shown on the Consolidated Balance Sheet amounted to $12,924,526.35 and Current Liabilities to $6 124,857.64 leaving Net Current Assets of $6,799,668.71, an improvement of $846,428.53 during the year.

The Earned Surplus of your Company as at August 31 1949 stood at $7,897,000.14 as compared with an Earned Surplus at August 31 1948 of $7,376,443.56, an increase of $520,556.58.

Dividends were paid for the period on the Preferred Stock of your Company in the amount of $242,200.00 and on the Ordinary Stock in the amount of $224,720.00.

Tribute is again due to the staff of the Organisation throughout the country who continue, through loyal co-operation, to further the progress of your Company.

Respectfully submitted,
A. W. STEUDEL,
Chairman.

Montreal, Que.,
November 17 1949.

CONSOLIDATED BALANCE SHEET—AUGUST 31 1949

ASSETS

CURRENT ASSETS:		
Cash on hand and in bank	$ 244,270.56	
Trade accounts receivable, less reserve	4,929,871.65	
Other accounts receivable	140,196.84	
Inventories of raw materials and supplies, goods in process and finished merchandise, stated on the basis of the lower of cost or market	7,179,040.90	
Portion of excess profits tax recoverable in 1950	203,220.52	
Insurance, taxes and other prepaid expenses	227,925.88	$12,924,526.35
OTHER ASSETS:		
Portion of excess profits tax recoverable in 1951 and 1952	$ 256,992.95	
Sundry accounts receivable, including $6,958.31 owing by shareholders	56,332.91	313,325.86
INVESTMENTS IN AND ADVANCES TO PARTLY OWNED SUBSIDIARY COMPANIES:		
Investments, at cost, less reserve	$ 230,775.20	
Advances	11,028.70	241,803.90
PROPERTY ACCOUNTS:	$12,483,342.20	
(Property accounts include land and buildings, leaseholds, machinery and equipment, formulae, trademarks and goodwill acquired in 1911, at cost measured by the par value of bonds and shares issued as consideration for such assets; properties owned by three of the consolidated subsidiary companies are included on the basis of appraised values with subsequent additions at cost; other properties are included at cost.)		
Less: Reserve for depreciation	3,846,015.84	8,637,326.36
		$22,116,982.47

Note: The replacement value new, less depreciation, of land, buildings, machinery and equipment of one of the consolidated subsidiaries as of August 31 1948 as reported by Dominion Appraisal Company Limited was $835,071.77; the replacement value new, less depreciation, of The Sherwin-Williams Company of Canada, Limited and the other consolidated subsidiaries as of June 30 1948 as reported by Canadian Appraisal Co. Limited was $6,196,451.57.

LIABILITIES

CURRENT LIABILITIES:			
Bank loans		$ 1,770,000.00	
Trade accounts payable and accrued liabilities		3,323,287.02	
Deposit accounts		10,507.80	
Income and other taxes		1,021,062.82	$ 6,124,857.64
OWING TO PARTLY OWNED SUBSIDIARY COMPANY			120,724.69
RESERVE FOR ALLOWANCES TO RETIRED EMPLOYEES			20,000.00
CAPITAL STOCK AND SURPLUS:			
Capital Stock—			
Seven per cent cumulative preferred— Authorized—40,000 shares of $100.00 ea. $4,000,000.00			
Issued—34,600 shares of $100.00 each		$ 3,460,000.00	
No par value ordinary— Authorized—225,000 shares			
Issued—224,720 shares	$4,494,400.00		
Earned Surplus as per statement attached	7,897,000.14	12,391,400.14	15,851,400.14
			$22,116,982.47

APPROVED ON BEHALF OF THE BOARD:
P. F. SISE, Director.
L. A. SIMARD, Director.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND EARNED SURPLUS FOR THE YEAR ENDING AUGUST 31 1949

Combined profit from operations, After deducting remuneration, amounting in the aggregate to $178,372.63, for services of solicitors and counsel, executive officers and directors, but before provision for depreciation		$1,849,465.82
Add:		
Dividends from partly owned subsidiary companies	$429,402.90	
Less: Applied in reduction of book value of investment	120,400.00	309,002.90
		$2,158,468.72
Deduct:		
Interest on bank loans	$250,888.93	
Provision for depreciation	469,121.12	
Allowances paid to retired employees	53,762.80	773,772.85
		$1,384,695.87
Deduct: Provision for Dominion and Provincial taxes on income		397,219.29
Net profit for the year ending August 31 1949		$ 987,476.58
Earned surplus, balance August 31 1948		7,376,443.56
		$8,363,920.14
Deduct:		
Dividends of $7.00 per share on preferred stock	$242,200.00	
Dividends on no par value ordinary stock	224,720.00	466,920.00
Earned surplus, balance August 31 1949		$7,897,000.14

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the consolidated balance sheet of The Sherwin-Williams Company of Canada, Limited and its wholly owned subsidiary companies as at August 31 1949 and the consolidated statement of profit and loss and earned surplus for the year ending on that date and have compared them with the books of the companies. We have obtained all the information and explanations which we have required and we report that, in our opinion, the above balance sheet as at August 31 1949 is properly drawn up so as to exhibit a true and correct view of the state of the combined affairs of The Sherwin-Williams Company of Canada, Limited and its wholly owned subsidiary companies, according to the best of our information and explanations given to us and as shown by the books of the companies.

We also report that dividends from partly owned subsidiary companies taken up in the consolidated statement of profit and loss and earned surplus represent, in part, the earnings of the subsidiaries for the year and, to the extent of $192,700.00, a distribution from accumulated profits of prior years.

MONTREAL, November 16 1949 — PRICE, WATERHOUSE & CO., Auditors.

Probe B. C. Civil Service Now Costing $93 Millions

From Our Own Correspondent

VANCOUVER — British Columbia's government has at last become alarmed at the startling growth of its civil service, doubled since prewar and has hired a top firm of management engineers to see what can be done about it.

Stevenson & Kellogg Limited, of Montreal will start with the Motor Vehicles Branch, and try to find out why the branch's estimates have recently "risen so sharply."

The announcement came from Premier Johnson and Attorney-general Wismer. The motor branch is under Mr. Wismer's department.

Just before the war, B. C.'s civil service numbered around 4,000. Today it is approximately 8,000. And, in three years, the provincial budget has soared from $46 millions to $93 millions, with no ceiling in sight. In 1943-1944, the budget was only $31,484,747.

One factor not mentioned in the government announcement is the fact that under coalition there is no exclusive appointment of Loyal Liberals while the Conscientious Conservatives starve. Henchmen of both parties get an agreed break in the patronage.

The announcement, however, points no accusing finger at human guile. It speaks only of "efficiency" on an engineering basis and points to difficulties under which the civil service labors.

In many offices, official sources point out, employees have not enough room in which to work. And again, the huge increase in population since the war's start, with some 50% rise in population according to official explainers, required a vastly expanded public payroll and resulted in "some looseness in organization."

Shortage of manpower is blamed too, for possible occurrence of "square pegs in round holes."

The management engineering firm has been commissioned, government spokesmen say, to investigate "all phases of organization, administration, and personnel relations, selection and placement, along with office layout, finance control, practices and procedures."

B.C. Starts Re-testing 291,000 Car Drivers

From Our Own Correspondent

VANCOUVER — A good many British Columbians may get "back on their feet" soon, for the Provincial Government starts this week to re-examine every one of its drivers' license holders. (The Financial Post, Oct. 29.) There were 291,000 of them at latest count.

About 10 years ago the province established a thorough testing scheme. And those who received official blessing at that time are still running around, without further check, even though they may have gone half-blind in the meantime, or lost their hearing.

The job will be done alphabetically, starting with the Aaltens and Aronsons in Vancouver and ending with that city's Joe K. Zydyk, if he has a driver's license.

Aluminium's W. Africa Deal No Blow to Alcan's Sales

MONTREAL (Staff) — Aluminium Ltd.'s announcement that it has a share interest in West African Aluminium Ltd. means that the company is now involved in three major efforts to increase aluminum production — Quebec, British Columbia, and now the Gold Coast.

For some time, its subsidiary, Aluminum Co. of Canada, has been trying to arrange for an increase in its hydro resources in Quebec. A water diversion scheme on the Bersimis River was squashed earlier this year, but it is thought that some alternative plan may be forthcoming, as indicated by a recent government announcement referring to a possible 400,000-h.p. development on the Peribonca River.

Alcan has also been making detailed studies of three possible sites in British Columbia. Estimated investment in that province might run to around $300 millions or more.

London reports say that a similar large expenditure is likely in West Africa. They speak of a possible new smelter there costing up to £100 millions to supply the sterling area. The properties under concession include bauxite deposits and potential hydro sites.

U. K.'s takings of aluminum from Canada have been slowed down lately, to conserve dollars, it's understood. The current U. K. contract in 1949 has been cut by extending delivery date to the end of March, 1950, according to the London report. Ten months exports, however, were higher this year at $45 millions against $35 millions last year.

In any case, it's regarded as natural that the British will look around for alternative sources of aluminum in the face of her currency problems. At the same time, Canada is understood to be one of the lowest-cost producers and no major cuts are looked for. The West African project is still a good distance in the future, observers here believe.

WHITE LAKE MINES is distributing 314,991 shares of Bi-Ore Mines on basis of one share of Bi-Ore for each five shares of White Lake Mines held. The Ontario Securities Commission has released 25% of these shares from escrow and these shares are now available from Crown Trust Co. Distribution of the remaining 75% of these Bi-Ore shares will be made, if, as and when released by the Ontario Securities Commission.

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Alberta Surplus Reaches $11,953,431

From Our Own Correspondent

EDMONTON — Record half-yearly over-all cash surplus of $11,953,431 compiled by Alberta the first six months of the current fiscal year will be used mainly in government's capital program, according to Premier Manning. Program includes road building and other major projects by the department of public works.

C. K. Huckvale, provincial auditor, reported that over-all cash surplus from March 31 to Sept. 30 is $10,436,314 higher than for the corresponding period in 1948.

Main increases were $9,509,648 from petroleum and natural gas purchase price for leases; $1,210,838 fuel oil tax from increased gasoline sales; $2,218,652, petroleum and natural gas royalties.

Alberta Liquor Control Board showed net profits at $5,554,735, up some $500,000 over same period last year.

Cash receipts and cash payments under income account totaled $22,104,075. Minus $395,400 for debt retirement, the cash surplus in income account was $21,708,675. Capital account net payments amounted to $9,755,244.

Huckvale said cash payments for the ordinary services of the government showed an increase of $2,695,788 over the corresponding period of 1948.

B. C. Elec. To Buy Three Diesel Locos.

British Columbia Electric Co. has three 70-ton Diesel locomotives presently undergoing trial runs preparatory to replacing electric locomotives on its Fraser Valley freight line between New Westminster and Chilliwack. Their arrival brings the third method of locomotion to the 64-mile railroad since it was completed in 1910, it is stated.

Steam engines were employed when the railroad was under construction, but as these did not have enough power to haul big freight loads, two light electric engines were soon purchased to replace them. Three years later greater power was required and five new locomotives were bought. The locomotive fleet was added to 1946 when four electric engines were purchased from Oregon Electric Co.

The new Diesel locomotives manufactured by General Electric Co. at Erie, Pa., have a hauling power of 400 tons each compared with the electric's 300 tons, it is stated.

B. A. Plans Refinery Third For Edmonton

From Our Own Correspondent

EDMONTON—A third oil refinery for Edmonton is promised with announcement that British American Oil Co. next year will build a refinery that will employ more than 100 workers. Cost of the plant was not given by R. H. C. Harrison, Calgary, counsel for the company in western Canada, but it will have an initial capacity of two million barrels per year.

Imperial Oil already has a large refinery on the outskirts of Edmonton. McColl-Frontenac has stated work on a $10 millions refinery will start shortly.

Survey has commenced for the new B. A. refinery, four miles east of Edmonton. Construction is expected to start in early spring; between 500 and 600 employees will be needed during 12 to 14 months of construction.

SIGMA MINES (QUEBEC) reports October production of $227,364 from 35,387 tons milled. This compares with output of $219,639 for September and $212,866 for October, 1948.

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